

## Anwar, Defiant, Denies Guilt At Hearing

After 9 Days in Jail, Malaysia's Former No. 2 Has Marks of a Beating

By Keith Richburg  
Washington Post Service

KUALA LUMPUR — A badly bruised Anwar Ibrahim, the ousted deputy prime minister and finance minister who has become a focal point for political dissent, appeared Tuesday in court after nine days in detention, defiant but showing the visible marks of a severe police beating.

He pleaded not guilty to nine charges of corruption and sexual misconduct, even as the government's case against him showed signs of unraveling.

Mr. Anwar was taken back to prison immediately after the hearing, during which the charges against him were formally read out. To each count, including four charges that he had engaged in sodomy, Mr. Anwar — his left eye blackened and his arm badly bruised — replied: "Not guilty. I claim trial."

No bail was set, and prosecutors said an additional sodomy charge would be lodged Wednesday in a different court. No sooner were the charges against Mr. Anwar read than the government's case against him began to collapse. Two of the men Mr. Anwar is charged with having sex with — both of whom confessed and who received six-month jail terms — retracted their confessions Tuesday and appealed their convictions. Their lawyer said the confessions "were not voluntary."

The evidence of Mr. Anwar's mistreatment in police custody — including the black eye that has impaired his vision and affected his balance — will be likely to raise further the political temperature here, several analysts said.

The day's events now directly challenge the credibility of Prime Minister Mahathir bin Mohamad, who is also the home affairs minister and ultimately responsible for the treatment of a high-profile prisoner like Mr. Anwar. Mr. Mahathir had assured reporters that his former deputy was being well treated and that the case against him would be proven in court.

Since Mr. Anwar's firing on Sept. 2, Malaysia, once considered among the most stable countries in the region, has been rocked by an anti-government protest movement demanding political reform and an end to Mr. Mahathir's 17-year autocratic rule.

For Mr. Mahathir to end the growing unrest, analysts said it was critical for the government to present quickly a credible case against Mr. Anwar that would justify his removal, and to hold a judicial proceeding that would at least have the appearance of fairness.

But Tuesday, the case against Mr. Anwar seemed to be degenerating into farce.

"This is ridiculous," said a longtime Anwar associate. He said some of the charges read out in court were vague, or lacking specific dates, suggesting that the case was prepared in a hurry to placate the crowds on the streets. Some earlier allegations that Mr. Mahathir had leveled at his deputy, involving sex with female prostitutes, were not mentioned in the court charges.

"They had to charge him," the Anwar associate said, "the momentum was growing. And the international pressure was growing. Mahathir was becoming a pariah in the world." He added, "Beating up a former deputy prime minister is not exactly what we think of as the Malaysian way of doing things."

But whether people react with more or larger street protests, he said, "depends on how it is reported locally. They might not even report that he was beaten."

"I don't think people are shocked by

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Anwar Ibrahim, the jailed Malaysian deputy prime minister, being ushered into a police vehicle Tuesday after his court appearance.

## A Slim Cut in U.S. Rates

Fed Acts to 'Cushion the Effects' of Global Crisis

By Mitchell Martin  
International Herald Tribune

NEW YORK — The U.S. Federal Reserve Board moved to reduce short-term interest rates Tuesday, seeking to give a spark to the slumping international economy.

The central bank cut the target rate for the federal funds rate, the rate banks charge each other for overnight loans, by one-quarter percentage point, to around 5.25 percent.

The reduction, the first in nearly three years, was smaller than some analysts had expected. Nonetheless, it was an acknowledgment that events unfolding far from America's shores were beginning to threaten the United States.

"The action was taken to cushion the effects on prospective economic growth in the United States of increasing weakness in foreign economies and of less accommodative financial conditions domestically," the Fed said.

"The recent changes in the global economy and adjustments in U.S. financial markets mean that a slightly lower federal funds rate should now be

The Dollar		
New York	Tuesday 4 P.M.	previous close
DM	1.8748	1.8762
Yen	134.8	136.12
FF	5.6148	5.6203
Pound	1.7085	1.7083
Dollars per pound		
The Dow		
Tuesday close	percent change	
28,32	8,080.52	-0.35%
S&P 500		
Tuesday close	percent change	
+0.32	1,049.01	+0.03%
Nasdaq		
Tuesday close	percent change	
-5.14	1,734.07	-0.30%

consistent with keeping inflation low and sustaining economic growth going forward."

Analysts said further rate reductions were likely if new threats to the U.S. economy appeared. "The main-line scenario is that the Fed is easing now and will continue to ease until it no

longer needs to do so," said Sam Kahan, an economist who runs his own firm, A.S.K. Financial Research, in Chicago.

But in a reflection of possible disappointment among investors that rates had not been cut further, stock prices dropped after the Fed's move was announced. The Dow Jones industrial average closed down 28.32 points, at 8,080.52, though the broader Standard & Poor's 500 stock index recovered late to end up 0.32 point at 1,049.01.

Interest-rate reductions often exert upward pressure on stock prices by reducing yields available on fixed-income investments such as bonds and bank accounts as well as lowering borrowing costs for companies.

But the real beneficiaries of Tuesday's move may be foreign borrowers such as Brazil, whose dollar-denominated debt burdens might now be lightened.

"There is a very good reason why the Fed needs to cut rates again and again," said Nancy Kimelman, chief economist for Thomson Global Markets in Boston, "and that is to weaken the dollar."

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## G-7 Spars Over Reshaping of Financial System

By Alan Friedman  
International Herald Tribune

WASHINGTON — With just days to go before the start of the annual meetings of the World Bank and International Monetary Fund, the world's leading industrial powers have reached conflicting conclusions over how to reshape the international financial system to cope more effectively with the strains imposed by the global economic crisis.

Against a backdrop of growing pessimism about global economic prospects, international financial officials in Washington are predicting that the wealthy Group of Seven nations will make bold statements but are unlikely to agree on any defini-

itive course of action when they meet on Saturday.

The most likely outcome will be little more than a restatement of the G-7's rather generic plan to strengthen the world financial system, push for more transparency and disclosure and seek to ensure that private sector creditors share in losses resulting from the crisis.

In order to save face, the G-7 will also probably promise to further study various proposals, some of which conflict sharply with traditional G-7 free-market practices.

Among the ideas being discussed are the following:

• A proposal from France to transform an advisory body of the IMF, the so-called Interim Committee,

into an executive council with unprecedented political clout. The French plan also includes the suggestion that other regions of the world should imitate Europe's single currency bloc as a way of ensuring stable exchange rates worldwide.

• A proposal from Gerhard Schroeder, Germany's chancellor-elect, to try to ensure stability by setting target zones for the world's main currencies.

• A Japanese proposal to allow emerging market economies to impose temporary capital controls and fixed exchange rates in order to prevent capital flight in times of crisis.

• A proposal from Prime Minister Tony Blair of

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## World Bank Rewrites the Prescription for Asia

By Alan Friedman  
International Herald Tribune

WASHINGTON — The World Bank on Tuesday urged the governments of crisis-stricken East Asia to further reduce interest rates and increase deficit spending to pull the region's economies out of recession.

Taking a position that is contrary to the International Monetary Fund's original prescriptions for the region, a World Bank report on the Asian financial crisis said interest rates in crisis economies

should be allowed to fall further to spur growth.

The report — titled "East Asia: The Road to Recovery" — also suggested that a partnership of international financial institutions, governments and private sector banks should find ways to inject new capital into the region. If the international community were to mobilize \$10 billion, that could finance a stimulus of 1 percentage point in the economic growth rates of Thailand, Indonesia, Malaysia and South Korea, the report said.

The World Bank's recipes run counter to the strict initial demands of the IMF, which put together multi-

billion-dollar bailouts last year for Indonesia, South Korea and Thailand, the countries hit hardest by the crisis.

The IMF initially told troubled Asian governments to raise interest rates and run budget surpluses as a condition for receiving the bailout funds. But the IMF has been forced by political and social unrest to relax these demands in recent months.

The World Bank report said lower interest rates might help improve creditworthiness and reduce

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## Arafat, Meeting Clinton, Agrees to West Bank Idea

By Brian Knowlton  
International Herald Tribune

WASHINGTON — The Palestinian leader, Yasser Arafat, said Monday that he had agreed to a proposal under which Israel would return an additional 13 percent of the West Bank, raising prospects for an interim Middle East peace agreement.

Mr. Arafat, speaking after an hour-long meeting with President Bill Clinton, said he hoped that an agreement could be concluded next month when he and Prime Minister Benjamin Netanyahu of Israel came to the United States for what might be days of intensive negotiations somewhere in the Washington area.

"Peace is a Palestinian need, Israeli need, Arab need, international need," Mr. Arafat said on the White House lawn after Mr. Clinton accompanied him from the building.

Referring to a Washington proposal for Israel to turn over 13 percent of the West Bank land, and declare about a quarter of it an uninhabited nature preserve, Mr. Arafat said, "We have accepted it."

Mr. Netanyahu, who met with Mr. Arafat and Mr. Clinton here Monday, said that he favored the proposal.

He also said that he was optimistic an interim accord could be reached next month if Palestinians agreed to several steps to fight terrorism, including dismantling terrorist groups, confiscating weapons and limiting anti-Israeli speeches and propaganda.

"I can't tell you that we agree on everything," Mr. Netanyahu said. "But I can tell you that we agreed on quite a few things."

The 13-percent agreement, though it did not come as a surprise, represents a

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President Clinton saying farewell Tuesday at the White House to Yasser Arafat after they had discussed ways to break a Mideast deadlock.

## Greens Rode Curvy Trail To the Top In Germany

By Roger Cohen  
New York Times Service

BONN — It has been a roller-coaster year for Germany's environmentalist Greens. They have zigzagged on German troop deployment in Bosnia, called for a near-tripling of gasoline prices only to shelve the idea, gone back and forth on what to do about NATO and finally found themselves a likely member of Germany's new government.

"We have shown a certain amount of chaos," said Harald Handel, a spokesman for the party, that seems almost certain to form a "Red-Green" coalition with the Social Democrats of Chancellor-elect Gerhard Schroeder. "The chaos was a reflection of a lack of organization and we now intend to change that."

But can the Greens, founded in 1979 as a loose coalition of pacifists, environmentalists, socialists and feminists, evolve from the free-wheeling ways of opposition into a cohesive party of government that speaks with a single voice?

Mr. Schroeder, who will begin coalition talks with the Greens on Friday, clearly has concerns.

"The Social Democratic Party stands for economic stability, law and order and continuity in foreign policy," he told the mass-circulation Bild newspaper in an interview published Tuesday. "This is not negotiable."

In other words, closing the nuclear power stations that produce a third of Germany's energy — a Green demand — is incompatible with "economic stability"; legalizing soft drugs like marijuana — a Green demand — is incompatible with "law and order," and opposing NATO expansion — a Green demand — is incompatible with "continuity in foreign policy."

In Washington, officials indicated that some of Mr. Schroeder's concerns are shared, although it is widely believed that the Greens, hungry for a power they have never tasted, will prove pragmatic.

This will allow the party's most influential figure, Joschka Fischer, a possible foreign minister, to hold his eclectic followers to a governing coalition line. The United States therefore expects periodic irritations — protests from some party members on NATO expansion,

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## Aid Agency Pulls Out of North Korea

Doctors Without Borders Fears That Food Sent for Children Is Misused

By John Pomfret  
Washington Post Service

BEIJING — The largest international charity operating in North Korea announced Tuesday that it was pulling out

because the Communist government had refused to give the charity access to a large population of malnourished and ailing children.

The European charity, Doctors Without Borders, withdrew its team of 13 professionals, including nine doctors.

The move, rare for an international organization, underscored the growing problem that Western aid agencies are having in North Korea as they try to determine whether medicine and food are getting to the truly needy in the isolated Asian nation.

In early August, the Paris-based Doctors of the World left North Korea for similar reasons.

Officials of Doctors Without Borders said they were concerned that the North Korean government was adopting a double standard — feeding children who came from families loyal to the regime and neglecting those children who did not.

The officials said they had obtained evidence that orphaned and homeless children had been collected in centers, known as "9-27 camps," named after the day last year that the North Korean leader, Kim Jong Il, ordered the establishment of the centers to "normalize" the country.

Conditions at those camps are believed to be horrible, the officials said, citing interviews with refugees from such centers who escaped into China.

"We are sorry to be forced to pull out when there are serious medical, nutritional and sanitation problems which need to be addressed," said Eric Goemaere, director general of the organization. "The new policy of 'normalization' has nothing to do with the reality of life in North Korea and will cost the lives of thousands."

The medical charity announced its

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## AGENDA

### Atomic Agency Warns Iraq on Inspections

VIENNA (AFP) — The head of the International Atomic Energy Agency, the nuclear watchdog body, said Tuesday that concern was growing over Iraq's refusal to cooperate with its inspectors, stressing that the current situation was "unsatisfactory."

The agency chief, Mohammed Baradei, said that he hoped progress could be made "as soon as possible" but warned that noncooperation was only harming Baghdad's chances of having sanctions lifted.

"The longer this lull in our activities continues, the more concern we will have about the Iraqi program," he said, reporting on the results of an IAEA General Conference last week that condemned Iraqi intransigence.

UN arms inspectors relied on Israel for tips. Page 2.

### China Ready to Sign Civil Rights Covenant

WASHINGTON (Reuters) — China will sign a UN covenant on civil and political rights in New York next Monday, Secretary of State Madeleine Albright said Tuesday. It had promised in March that it would sign the pact but had not until now given a precise date, U.S. officials said.

The Chinese foreign minister, Tang Jiaxuan, gave the date at a meeting earlier Tuesday with President Bill Clinton, Mrs. Albright said.

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Kuwait	700 Fils U.S. Mil. (Eur.)





## 'Well-Bowled, Old Chap' / Turmoil at Marylebone

## Flash! London Cricket Club to Admit Women

By T. R. Reid  
Washington Post Service

LONDON — The drive for equality of sexes in Britain has bowled over a notoriously sticky wicket as the members of the crusty Marylebone Cricket Club finally voted to admit "ladies" to their ranks.

Over the past two decades Britain has accepted female vicars in the pulpit, female CEOs in the boardroom and even a female prime minister in Parliament. But the establishmentarian body that once governed the laws of cricket had spurned all requests from women who had wanted to cheer on their teams from the Marylebone Cricket Club's imposing pavilion at Lord's Cricket Ground.

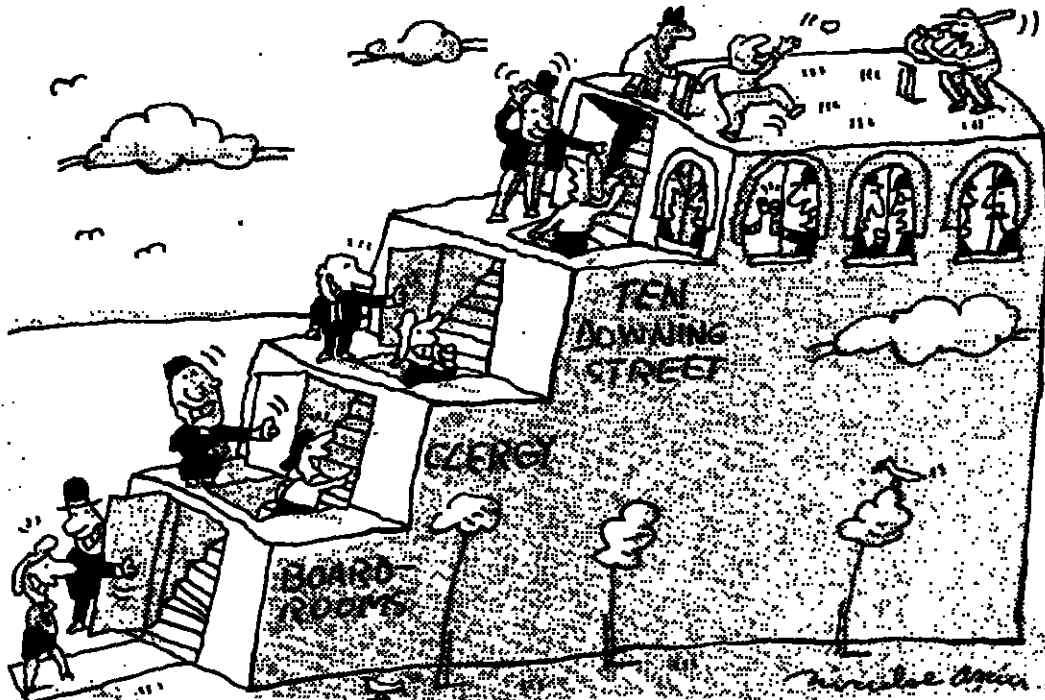
Just eight months ago, the club's 17,500 male members failed to approve the same resolution. The chief argument against female members then seemed to be that the club had been all-male since its founding 211 years ago, and a cricket club should honor tradition.

The appeal to traditional ways clearly had drawing power in an organization dedicated to the enjoyment of a game with some charmingly old-fashioned features. Cricket players still wear starched white flannels on the field, and the teams still interrupt play for a tea break each afternoon, no matter how important the match or how tight the television schedules.

Visiting the Marylebone club on the day of a big match is like watching a 1930s English movie. The members uniformly wear blue blazers, bowler hats and the club's famous red-and-yellow regimental tie. They linger in walnut-paneled bars hung with fading portraits of great cricketers like Sir Spencer Ponsonby-Fane and the Sixth Earl of Bessborough. It's not uncommon for members to shout the all-time cricket cliché: "Well-bowled, old chap, well-bowled!"

But the club's president, Colin Ingleby-Mackenzie, cited more up-to-date considerations in bringing the sex issue to a referendum. And these concerns carried the day in Monday night's decision to open the club to female members.

"We are absolutely delighted that our members have decided to welcome ladies," Mr. Ingleby-Mackenzie said as he announced that 69 percent of the membership had backed the change. "It's evident that members saw what was happening and felt there



was no point in resisting the changes around us." One such change is that, while the world's oldest cricket club has clung resolutely to its men-only tradition, the sport of cricket itself has gone co-ed.

There are hundreds of women's cricket teams in Britain, and most other cricket-playing nations — primarily former British colonies — have well-developed women's programs as well.

By global standards, British women are considerably more successful bowlers and batters than their brothers and husbands. The national women's team has twice won the cricket World Cup championship; British men have never won the global title in a sport they gave to the world.

More important, perhaps, are the changes in British law and public opinion surrounding traditionally all-male preserves.

The Marylebone Cricket Club is a private club,

but one that happens to own a public institution of enormous importance in British sport.

The red brick MCC clubhouse forms one section of the stands at Lord's Cricket Ground, a lovely green field.

Next year, when the cricket World Cup championships return to Britain, the final game will be played at Lord's. Since its ground will be the focus of global cricket concentration, the club feels the need to make improvements that will cost millions of dollars.

But, because of its exclusive membership policy, the club was turned down when it sought a government grant. It turned to corporate sponsors for financial assistance, but this, too, proved futile.

"The simple truth is," said Roger Knight, the club's secretary, "in this day and age an all-male organization is not going to get corporate or public support. We have an obligation to cricket, and to the country, to change some of our ways."

## UN Arms Inspectors Relied on Israeli Leads

## 2-Way Data Exchange Exposed Iraqi Programs

By Barton Gellman  
Washington Post Service

WASHINGTON — For more than four years, UN arms inspectors have obtained many of their best leads on forbidden Iraqi weapons through a secretive and diplomatically risky channel from the Israeli government, according to sources in the United States, Israel and the United Nations.

After a wary start born of its long isolation at the United Nations, Israel began providing the UN Special Commission arms inspectors with increasingly detailed and sensitive intelligence on its Arab adversary, which launched 40 Scud missiles at Haifa and Tel Aviv during the 1991 Gulf War.

Among its most important contributions, from the UN panel's point of view, were significant leads on the existence of a biological weapons program and the first concrete evidence that Iraq had a systematic campaign of deception to conceal weapons programs it was legally obliged to declare and dismantle.

The two-way exchange of information, which included meetings with the director and deputy director of Israeli military intelligence, eventually involved Israeli analysis of aerial photography taken by U.S. U-2 surveillance planes, provision of raw reports from defectors and other human sources, and Israeli processing of other forms of information obtained by the special commission.

According to three officials with direct knowledge of the relationship, Israel had become by July 1995 the most important single contributor among the dozens of UN member states that have supplied information to the commission since its creation in April 1991.

The United States, by all accounts, remained a major supplier of information, as well as the commission's most important material and political backer. But the arrival of fresh Israeli intelligence after most U.S. tips had been exploited made for what one official called "this great big candy store of nice goodies."

There is no evidence that Israel directed commission activities in any way or that the UN panel gave information improperly or for Israel's national benefit. But Israel and the commission have kept the operation among their most sensitive secrets, fearing that Iraq would use it to feed propaganda attacks that already featured accusations of a Zionist conspiracy behind the inspectors' work.

Even without evidence, those charges have resonated among intellectuals and in the government-controlled media in much of the Arab world, including pro-Western Gulf states on which the UN commission has relied for practical and diplomatic support.

Even Buchanan, the commission spokesman, said the Security Council resolutions demanding Iraqi disarmament call upon all member states to assist the panel. More than 40 countries, he said, have "helped us in the form of experts, information, equipment, finance and in-kind help like laboratory analysis or helicopters."

"As a general principle," he added, "we will not confirm or deny our dealings with particular states."

The Israeli delegate to the United Nations, Dore Gold, consulted with superiors when asked about the cooperation, responding afterward that he could say only, "I cannot give any official Israeli response."

Those willing to speak about the relationship, from the commission's point of view, said it had no choice but to seek assistance from foreign, intelli-

gence agencies once the extent of Iraqi concealment efforts became clear. Israel had the means and motive to assist the panel, they said, but other adversaries of Iraq — including Iran and some neighboring Arab states — did so as well.

"I think it's perfectly valid we had contact with the Israelis," said Tim Trevan, a Briton who until 1995 was political adviser to Rolf Ekeus, the commission's executive chairman until last year. "There's nothing to be ashamed about with that contact."

Mr. Trevan, according to sources, made the first contact link between the commission and the Israelis. Mr. Ekeus had dispatched him to a January 1994 academic conference on disarmament in Delphi, Greece. There, he sat in the audience as David Ivri, then director-general of the Israeli Defense Ministry, made disparaging comments about the commission and hinted it was not finding all of Iraq's hidden weapon programs.

After Mr. Trevan stood up to criticize Mr. Ivri — arguing that Israel should "put up or shut up," as one participant recalled — another Israeli pulled him aside and introduced him to Brigadier

## Israel and the commission have kept the operation among their most sensitive secrets.

General Yakov Amidror, who was then deputy director of the Israeli Military Intelligence organization, known by its Hebrew acronym as Aman. Three months later, in April 1994, General Amidror flew secretly to New York for a meeting with Mr. Ekeus, sources said.

Scott Ritter, the UN inspector who resigned in protest last month, was a central conduit in the unfolding relationship, by his own account and those of others familiar with the details. Other commission staff members who traveled to the Aman headquarters in Tel Aviv included Didier Louis, a Frenchman, Norbert Reinecke, a German, and Nikita Smidovich, a Russian.

The Clinton administration, which was aware of the relationship in detail, generally supported the Israeli assistance but worried about the political difficulties that might be caused by public disclosure. Even so, the first public hint of the relationship came in a leak from the U.S. government aimed at discrediting Mr. Ritter, disclosing that he was under FBI investigation for his intelligence contacts with Israel.

Sources said that investigation remains open, and the FBI declined to comment. Current and former U.S. government officials and current and former commission officials said, without dissent, that Mr. Ritter's exchange of information with Israel was approved by his superiors at the commission and, in principle, by the United States.

But some of those officials said there were concerns about Mr. Ritter's links with Israel that fell short of criminal suspicion. Mr. Ritter on several occasions brought canisters of U-2 film for processing in Israel, a source said, and from time to time allowed Israeli technicians to make copies.

Four sources with firsthand knowledge said that Mr. Ritter and his colleagues worked with the explicit consent of Mr. Ekeus, a Swede, and of Richard Butler, Mr. Ekeus's Australian successor. Those familiar with the relationship insist that the commission never "traded" information in return for Israeli help.

## Iran Rejects U.S. Bid to Explore Ties

By Elaine Sciolino  
New York Times Service

NEW YORK — Foreign Minister Kamal Kharrazi of Iran has rebuffed the offer by the United States to draw up a "road map" to re-establish relations between the two countries, accusing the Clinton administration of an outdated policy of hostility toward his country.

In a speech to the Asia Society, Mr. Kharrazi noted a "new tone" toward Iran on the part of President Bill Clinton and Secretary of State Madeleine Albright. But he added that "sole reliance on variation in verbiage can simply not provide the necessary basis for an invitation to political dialogue."

Mr. Kharrazi, a former delegate to the United Nations who earned a doctorate in education at the University of Houston, is a close adviser of Iran's reformist president, Mohammad Khatami.

The address was intended as an official response to Mrs. Albright's speech before the organization in June in which she called on Iran to join in drawing up the road map to normal relations. But her failure to offer any specific initiative or policy shift irritated Iranian officials, who said there was no incentive to begin a political dialogue with Washington.

Mr. Kharrazi reiterated that position Monday, making no effort to disguise

his displeasure at American policy toward Iraq and reciting a litany of actions that he said indicated Washington's "Cold War mentality."

U.S. policies and its lack of commitment to change are "hardly compatible with the proposal to develop a road map to change the state of affairs," Mr. Kharrazi said. "This is because there is no ground for political negotiations while these policies continue."

The administration sent several senior officials to New York to hear Mr. Kharrazi. They included Thomas Pickering, undersecretary of state for political affairs; Martin Indyk, assistant secretary of state for Near Eastern affairs; Wendy Sherman, a senior State Department adviser, and David Welch, a Middle East specialist and Mr. Indyk's chief deputy.

"It did not offer a road map for the future," Mr. Pickering said of the speech. But he said that "the most important and interesting thing is it is clearly a step forward to have the foreign minister of Iran come to the United States and make a speech" that responded to the secretary of state.

Cyrus Vance, secretary of state in the Carter administration and during Iran's 1979 revolution, said simply, "It was a very tough speech." Mr. Vance resigned as secretary of state after the failed American military mission in

1980 to free Americans held hostage by Iran's revolutionary government.

Mr. Kharrazi made these criticisms: "The United States lacks 'a commitment to international law' because of its imposition of sanctions against Iran and dozens of other countries around the world."

"The United States is 'retarding economic prosperity of Iran and the region' by its policy of obstructing the building of a pipeline through Iran to ship oil and gas from Central Asia and the Caucasus."

"The United States is trying to 'sabotage' Iran's efforts to play a role in promoting regional stability."

"The covert program approved by Congress to destabilize Iran and the recent creation of a Persian-language radio station 'to wage a propaganda war' against Iran are evidence of American 'interference in internal affairs of Iran.'"

Mr. Kharrazi also criticized Mrs. Albright for defending American support for Shah Mohammad Reza Pahlavi as an "attempt to justify the wrongful past," and blamed the United States for the coup that restored the monarchy in 1953.

Still, Mr. Pickering said that Mr. Kharrazi "held the door open on a number of subjects that are of great interest to us: counterterrorism, anti-terrorism and weapons of mass destruction."



Kamal Kharrazi, Iran's foreign minister, rebuffed the U.S. offer of a "road map" for new relations.

## TRAVEL UPDATE

## A New Bus Route in Paris

PARIS (AFP) — For the first time since 1945, Paris is to inaugurate a new public bus route, its 58th.

The route, line 88, will cross the southern 14th and 15th arrondissements, or districts, linking the Cite Universitaire, a district of student residences, with the Quai Andre Citroen on the Seine.

The line will pass the Montparnasse railroad station, which has a high-speed TGV rail service, and the Javel station on the RER C commuter train line.

## Updating a London Classic

LONDON (AFP) — British Telecom will install about 50 new telephone booths in the classic 1936 design around Piccadilly Circus and Charing Cross — but the booths will be black rather than red.

The design has gradually been disappearing since the 1980s except in the heart of London. Red is now reserved for British Telecom's competitors.

Singapore Airlines Ltd. is reinstating its discounted fares to Manila, six days after it withdrew them to take advantage of troubles at Philippine Airlines Inc., its only competition on the route. Singapore Airlines had withdrawn its discounts to Manila — effectively doubling its fares — when Philippine Airlines was grounded by mounting losses and labor disputes. On Monday, PAL said it would resume operations from Oct. 7.

Tourist arrivals in Singapore fell by 11.7 percent in August from a year earlier, as recessions in Asian countries kept people home, the Singapore Tourism Board said.

The U.S. Federal Aviation Administration has ordered more inspections of wiring around the fuel tanks of Boeing 737s, the world's most widely used airliner. The agency is requiring U.S. airline companies to inspect Boeing 737-100 through -500 series aircraft with 20,000 to 30,000 flight hours, which adds up to about a year or two flight time. Airlines have 60 days in which to conduct the inspections.

Bus service is to begin on Friday between Cairo and Baghdad. It will be the first such link between the two countries since the 1991 Gulf War. The trip will take 24 hours, through Jordan. Most of the passengers are expected to be Egyptians working in Iraq.

## WEATHER

Forecast for Thursday through Saturday, as provided by AccuWeather.

Europe

City	Today		Tomorrow	
	High	Low	High	Low
Algiers	67	47	68	47
Amsterdam	50	31	52	31
Athens	57	37	59	37
Bombay	79	59	81	59
Buenos Aires	72	52	74	52
Calcutta	82	62	84	62
Chennai	82	62	84	62
Colombo	82	62	84	62
Delhi	82	62	84	62
Hyderabad	82	62	84	62
Jaipur	82	62	84	62
London	54	34	56	34
Los Angeles	64	44	66	44
Madrid	54	34	56	34
Manila	82	62	84	62
Mumbai	82	62	84	62
Nairobi	72	52	74	52
Paris	54	34	56	34
Rangoon	82	62	84	62
Rome	54	34	56	34
Singapore	82	62	84	62
Taipei	82	62	84	62
Tokyo	64	44	66	44
Yokohama	64	44	66	44

Forecast for Thursday through Saturday, as provided by AccuWeather.

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North America

City	Today		Tomorrow	
	High	Low	High	Low
Albuquerque	72	52	74	52
Anchorage	54	34	56	34
Astoria	54	34	56	34
Boston	54	34	56	34
Chicago	54	34	56	34
Dallas	54	34	56	34
Denver	54	34	56	34
Detroit	54	34	56	34
Honolulu	82	62	84	62
Los Angeles	64	44	66	44
Manila	82	62	84	62

Europe

Rainy in a chilly wind in Paris and London Thursday, then dry and cool with some sun, a warm calm day on Friday, but cool Saturday. Very cold from the Plains to the Great Lakes Thursday, but windy and mild by Saturday. The remnants of Hurricane Georges will bring heavy rain to the Southeast Saturday.

Asia

Mostly sunny, windy and dry in Beijing Thursday, then cool and milder by Saturday. Probably dry with some sun in Tokyo Thursday, then cooler with showery, Friday and Saturday. Tropical Storms will bring soaking rain to southwestern Japan Hot and dry across interior south-eastern China.

Maps, forecasts and data provided by AccuWeather, Inc. 01350 [www.accuweather.com](http://www.accuweather.com)

Asia

City	Today		Tomorrow	
	High	Low	High	Low
Almaty	72	42	74	42
Bangkok	82	62	84	62
Beijing	64	44	66	44
Calcutta	82	62	84	62
Chennai	82	62	84	62
Chongqing	82	62	84	62
Hong Kong	82	62	84	62
Jaipur	82	62	84	62
Kolkata	82	62	84	62
London	54	34	56	34
Manila	82	62	84	62
Mumbai	82	62	84	62
Nairobi	72	52	74	52
Paris	54	34	56	34
Rangoon	82	62	84	62
Singapore	82	62	84	62
Taipei	82	62	84	62
Tokyo	64	44	66	44
Yokohama	64	44	66	44

Africa

City	Today		Tomorrow	
	High	Low	High	Low
Algiers	72	42	74	42
Cairo	82	62	84	62
Harare	72	42	74	42
Johannesburg	72	42	74	42
London	54	34	56	34
Nairobi	72	52	74	52
Paris	54	34	56	34
Tokyo	64	44	66	44

Latin America

City	Today		Tomorrow	
	High	Low	High	Low
Buenos Aires	72	42	74	42
Caracas	72	42	74	42
La Paz	72	42	74	42
Managua	72	42	74	42
Medellin	72	42	74	42
Montevideo	72	42	74	42
Quito	72	42	74	42
Santiago	72	42	74	42
Sao Paulo	72	42	74	42
Toronto	72	42	74	42
Valparaiso	72	42	74	42

Oceania

City	Today		Tomorrow	
	High	Low	High	Low
Auckland	72	42	74	42
Christchurch	72	42	74	42
Dunedin	72	42	74	42
Hamilton	72	42	74	42
Wellington	72	42	74	42



## THE AMERICAS

# Democrats Differ on Clinton Defense

## Some Criticize Liberal Group's Plan for Campaign on Television

By Brian Knowlton  
International Herald Tribune

WASHINGTON — Political skirmishing sharpened Tuesday around the presidential sex scandal, as some Democrats criticized plans by a liberal coalition for an advertising campaign that would praise President Bill Clinton while castigating Republicans for neglecting more pressing public issues.

The advertising campaign, according to sources quoted by The Washington Post, is being organized by a group called People for the American Way, which was founded by the Hollywood producer Norman Lear.

Supporters hope to raise \$3 million to \$5 million for the televised campaign. The Post reported.

The paper also said that a loose coalition of labor and black activists was considering sponsoring a separate television campaign to benefit Mr. Clinton and encourage Democratic turnout in the midterm elections on Nov. 3.

Some Democrats, however, said they feared that the president and his supporters were moving too quickly from a strategy of humble contrition to one of strident combativeness.

Representative Barney Frank, a liberal Democratic member of the Judiciary Committee, said: "It would be wrong for any Democrat to forget that the president's mistakes are part of the problem."

The Democratic National Campaign Committee said that an ad campaign focusing on Mr. Clinton and the sex scandal would use resources that could better be spent on Democratic candidates facing well-financed Republican rivals.

Dan Sallick, a spokesman for the

committee, said: "If the White House follows through with this, there will be a number of House Democrats who will feel betrayed."

The White House also questioned the wisdom of the campaign.

"I'm not so sure generically it's a good idea," said the presidential spokesman, Mike McCurry. "I'm not confident that any kind of national advertising campaign is going to be helpful."

Democratic candidates for House and Senate seats are being outspent by Republicans. Republicans plan to spend at least \$25 million on issue-advocacy advertisements in competitive House districts, compared to less than \$10 million by Democrats, according to a senior political strategist.

Meanwhile, the Republican chairman of the House Judiciary Committee said he would meet several demands put to him by Democratic members of the committee.

"We are trying to accommodate them," said the chairman, Representative Henry Hyde of Illinois.

The Judiciary Committee is expected to vote Monday to ask the full House to approve a formal impeachment inquiry.

Mr. Hyde said that he had instructed Representative Charles Canady, a Florida Republican, to hold a subcommittee hearing to make recommendations on what constitutes an impeachable offense.

Mr. Hyde said he would favor granting the ranking Democrat on the committee, Representative John Conyers of Michigan, the same subpoena power that the chairman would have of a full inquiry were authorized.

Mr. Hyde also indicated for the first

time how he would vote on Monday. He said, "I should think there is enough to warrant an inquiry."

He insisted, however, that complaints by Democrats of unfairness were unfounded.

"We are doing our level best to be credible," he said. "If we aren't credible, what we do amounts to nothing."

Mr. Hyde's concessions were welcomed by the White House. But some Democrats on the committee said that they did not go far enough.

"Everything has been done by diktat, by ukase, no consultation," Representative Jerrold Nadler of New York said Tuesday on CNN television news.

He complained that Mr. Canady's subcommittee inquiry would come too late, saying that the vote Monday would be taken "without an hour, a day or a minute" of discussion about what constitutes an impeachable offense.

The moves Mr. Hyde announced have been supported, however, by a bipartisan "lunch group" of four centrists on the committee, who say they want to help keep the committee on a path of fairness, dispassion and credibility.

The group includes the Republicans Asa Hutchinson of Arkansas and Lindsey Graham of South Carolina and the Democrats Bill Delahunt of Massachusetts and Howard Berman of California.

The four successfully backed a Democratic request for the full panel to review documents that the independent prosecutor, Kenneth Starr, did not send to the House, in order to weigh Democratic complaints that the Mr. Starr might have withheld material that would support Mr. Clinton's case.

The Judiciary Committee has now reviewed more than 50,000 pages of evidence that Mr. Starr sent to the House. About 3,000 to 5,000 pages of it is expected to be released to the public Thursday in two bound volumes.

A committee source told The Associated Press that the evidence included transcripts of grand jury testimony from Mr. Clinton's personal secretary, Betty Currie, from Mr. Clinton's friend Vernon Jordan, and from Secret Service agents.

The material also reportedly includes transcripts of taped conversations between Monica Lewinsky and her former friend, Linda Tripp.



Alabama National Guard members rescuing children in Mobile from floodwaters caused by the hurricane.

# Georges Downgraded to Tropical Storm

## Hurricane Claims 3 Lives in U.S., While the Caribbean Toll Rises to 381

Reuters

GULFPORT, Mississippi — After striking the Gulf Coast with heavy winds and rain, Hurricane Georges lost some of its sting and was downgraded Tuesday to a tropical storm, but forecasters warned of continuing danger.

Three people died in Florida and Louisiana, and the toll from Georges's march across the Caribbean last week rose to 381 as officials in Haiti, Cuba and the Dominican Republic issued new figures for the number of dead.

"From day to day, as we research the damage, we are determining the real impact of the hurricane, and the impact

is very heavy," Dr. Yolene Vaval Surena, head of Haiti's Civil Protection Directorate, said in the capital Port-au-Prince.

"Now we have counted 147 dead," she said.

The hurricane came ashore near Biloxi on Monday, then stalled about 20 miles north of the city, hammering Louisiana, Mississippi, Alabama and Florida. Sustained winds howled at 100 miles per hour and the storm dumped over 24 inches (61 centimeters) of rain on the coastal region. Wind gusts of 175 miles per hour were reported at Keesler Air Force Base in Biloxi.

Traders said Georges helped spur buy-

ing on oil markets, while cotton, coffee and gasoline prices also received a boost as the storm flooded crops, shuttered warehouses and closed refineries.

No longer able to draw strength from the warm Gulf waters, however, the storm weakened late Monday. Maximum sustained winds dropped to 45 miles per hour, well below hurricane strength, and forecasters said it was expected to weaken more.

The National Hurricane Center said the threat of heavy rain continued, and tropical storm warnings remained in effect from the mouth of the Mississippi eastward to Destin, Florida.

# The JFK 'Secret' — None

## Warren Report on '63 Assassination Is Upheld By Huge Review, Which Denounces Secrecy

By Tim Weiner  
New York Times Service

WASHINGTON — There is no second gunman, no assassin skulking on the grassy knoll, no vast conspiracy. But now more than 60,000 secret documents on the killing of President John Kennedy are public records, made public by a citizens' commission that concluded its work after taking one of the deepest cuts ever into official government secrecy.

The commission, the Assassination Records Review Board, created by Congress six years ago to dispel an abiding sense among Americans that the truth about the Kennedy assassination had been hidden, has since helped put more than 4 million pages of secret records into the public domain, using unprecedented powers to order declassification of documents.

For decades "the official record on the assassination of President Kennedy remained shrouded in secrecy and mystery," says the board's final report, to be issued Wednesday.

"The suspicions created by government secrecy eroded confidence in the truthfulness of federal agencies in general and damaged their credibility."

No one yet has read all the documents, some of which were still being declassified during the weekend.

Those already declassified include the records of CIA and FBI surveillance of Lee Harvey Oswald, who defected to the Soviet Union and returned to the United States, that was conducted well before his arrest on the afternoon of the assassination, in Dallas on Nov. 22, 1963.

The declassified documents also include previously unknown original notes of Mr. Oswald's interrogation by the FBI and the Dallas police after the assassination, statements from doctors who performed an autopsy on the president, papers concerning a Pentagon plot to blame Fidel Castro if the Mercury space capsule carrying John Glenn crashed and documents dealing with a hundred other subplots and loose threads for historians to weave.

But nothing in the documents is likely to prove or refute the conclusion of the Warren Commission, the panel of senior government officials that determined in 1964 that Mr. Oswald was the lone assassin.

The Warren Commission found no conspiracy in the assassination and none in Mr. Oswald's murder two days later in a Dallas police station by Jack Ruby, a nightclub owner.

"The American public never trusted the commission's conclusions," the report said, noting that there were reasons for mistrust. The Warren Commission

worked in secrecy, sealed many of its records, misstated some evidence and was denied some facts. And four of the commission's seven members later expressed some skepticism about their own conclusions, the report notes.

"They got key things wrong," said Gerald Posner, the author of respected books on the assassinations of President Kennedy and Martin Luther King Jr., who believes that Mr. Oswald was a lone assassin. "They misstated the timing of the shots that killed the president. They did not look aggressively at Ruby's mob connections."

The review board's work shows that the FBI did not tell the commission key things. And of course the CIA was concerned about its Castro war.

One member of the Warren Commission, Allen Dulles, director of central intelligence from 1953 to 1961, never mentioned that Mr. Kennedy had ordered the CIA to assassinate Mr. Castro. Some of the agency's 33 plots to do so involved the Mafia.

The review board had five members: John Tunheim, a federal district judge in Minnesota, the board's chairman; Henry Graff, a Columbia University historian; Kermit Hall, professor of history and law at Ohio State University; William Joyce, archivist at Princeton University, and Anna Nelson, historian at American University.

They said in their report that "30 years of government secrecy" surrounding the assassination had "led the American public to believe that the government had something to hide."

Congress established the review board in 1992, reacting to Oliver Stone's movie "JFK," which presented a conspiratorial view of the assassination that resonated with many Americans. Congress gave the board unprecedented power to review and make public secret records, and that power set off a struggle to free the records from government vaults.

The board said it had confronted a Cold War culture of secrecy that had not significantly changed.

"The federal government needlessly and wastefully classified and then withheld from public access countless important records that did not require such treatment," the report said. "An aggressive policy is necessary to address the significant problems of lack of accountability and an uninformed citizenry that are created by the current practice of excessive classification and obstacles to releasing such information."

"Change is long overdue," the report concluded. "It is a matter of trust. Making historical documents public, it said, 'is essential to maintaining our freedom.'"

# Billionaire Questioned on Anti-Clinton Activities

By John Mintz  
Washington Post Service

WASHINGTON — The conservative billionaire Richard Mellon Scaife earlier this month appeared before a federal grand jury in Fort Smith, Arkansas, that is investigating whether a group of anti-Clinton researchers financed by Mr. Scaife tried to influence the testimony of one of President Bill Clinton's chief White House accusers with cash payments, sources said.

The grand jury is looking into allegations that an Arkansas businessman, David Hale, a key witness in the four-year investigation by the independent counsel, Kenneth Starr, of the president's financial dealings, received thousands of dollars from people working with The American Spectator magazine on an anti-Clinton research project funded by Mr. Scaife.

The investigation is proving to be an embarrassment for Mr. Scaife, and also raised questions about Mr. Hale, who served 20 months in jail after pleading guilty to defrauding the Small Business Administration. Mr. Hale cooperated with Mr. Starr and has accused Mr. Clinton of pressuring him into making a fraudulent \$300,000 loan to a former business partner of the Clintons.

The grand jury is hearing testimony about political intrigue in an unlikely setting: a bait-and-tackle shop in Hot Springs, Arkansas, where Mr. Hale frequently stayed in the mid-1990s while serving as a witness for Mr. Starr. At the time Mr. Hale, who was destitute, was visiting an old friend, the owner of the bait shop, Parker Dozhier.

who moonlighted then as a researcher for an anti-Clinton research initiative called the "Arkansas Project" that was organized by The American Spectator.

From 1993 to 1997, Mr. Scaife gave the magazine \$1.8 million for the proj-

ect, plus an additional \$600,000 to dig up more information undermining the president.

Mr. Dozhier's former girlfriend, Caryn Mann, said that Mr. Dozhier paid Mr. Hale as much as \$5,000 from the

bailed shop's cash register and gave Mr. Hale free use of his car. Mr. Dozhier denies giving Mr. Hale the money, and Mr. Hale has made the same claims about Mr. Clinton since before any alleged payments were made.

Mr. Dozhier's former girlfriend, Caryn Mann, said that Mr. Dozhier paid Mr. Hale as much as \$5,000 from the

## POLITICAL NOTES

### California Shifting Primaries to March

LOS ANGELES — In an attempt to give the nation's most populous state more say about presidential nominees, Governor Pete Wilson has signed a bill that would move all statewide primaries in California to the first Tuesday in March, three months ahead of the old June date.

California has not been critical in choosing a major party's nominee since 1972. But along with New York and most of the New England states, which have already scheduled their primaries for early March, California will now be among those states where elections immediately follow the New Hampshire primary and Iowa caucuses in the presidential contests of 2000.

Sponsors of the California measure have urged Oregon and Washington to move their presidential primaries to the same date, March 7, to establish a giant "West Coast primary" that would account for nearly a quarter of the votes needed to select a Democratic nominee and just over a fifth of those needed to

choose a Republican. In 1995, Oregon moved its primary from May to the second Tuesday in March, but election officials there said Monday that they knew of no plan to move the primary even earlier.

In 1996, Washington moved its primary to March 26, also from May, and now its secretary of state, Ralph Munro, has asked the commission that sets the primary date to make it coincide with California's. (NYT)

### Hyde Article Fallout

WASHINGTON — Jonathan Broder, the Washington bureau chief of Salon, has been forced to resign after he criticized the on-line magazine's decision to disclose Representative Henry Hyde's affair in the 1960s.

Mr. Broder argued in a memo that to publicize the 1960s extramarital affair would make the magazine's staff look like "sex-obsessed hypocrites." David Talbot, Salon's editor and the article's author, demanded his resignation after Mr. Broder responded to a call from The Washington Post by saying: "I objected to it on journalistic grounds,

on grounds of fairness and because of the way Salon would be perceived."

Mr. Broder submitted his resignation letter Monday. "I thought I was showing there could be healthy dissent within Salon and I could help protect Salon's credibility," he said in an interview. "My intention was not to embarrass anybody."

"I truly felt that what they did was over the top, and I had to say that," Mr. Talbot said. "This was the hardest decision I ever had to make about an employee. It was just a legitimate journalistic difference of opinion we had, but it was so profound a difference that I thought it was best for us to part company."

While he has "enormous respect" for Mr. Broder, Mr. Talbot said, "Jon took a strong stand against running the piece. We argued it out. Once we made the decision, we asked Jon not to go public with his differences."

A Salon editorial contended that the sex life of Mr. Hyde, the House Judiciary Committee's chairman, was fair game because he would head an impeachment inquiry that involves President Bill Clinton's affair with Monica Lewinsky. (WP)

### Away From Politics

• A federal judge approved a \$206 million plan for Nashville's schools that will end the mandatory cross-town busing of students that began 27 years ago. (AP)

• Women, who used to die at much greater rates than men after heart surgery, now seem to do just as well when they come off the operating table, researchers report. (Reuters)

bitter fight to stop his wife from removing the feeding tube that has sustained him for three and a half years. Michele Finn will be free to have the tube removed after Wednesday, when the appeal deadline expires. (AP)

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Herald Tribune



THE WORLD'S DAILY NEWSPAPER

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## EUROPE

## Living Amid Mud, Kosovo Refugees Fear Winter

By Jane Perlez  
New York Times Service

KISNA REKA, Serbia — Heavy rain and winds were slashing the makeshift ethnic Albanian refugee camps in Kosovo, and many inhabitants, who have been living outdoors for months, were cold, wet and encrusted in mud.

About 3.5 kilometers up a hill over this village, muddy water gushed through tents and small children dressed in light clothing squished around barefoot. They described shivering in the night as they tried to sleep sandwiched together, shoulder-to-shoulder, on wooden tent floors.

The squall Monday was a reminder of worse to come, but in the hills and canyons where the refugees have been hiding from the onslaught of Serbian artillery, the mood remained defiant.

Many said they were not ready to go

back to their ruined homes and villages. There, they said, they feared being encircled by the Serbian police, who had torched their places and forced them to flee during a summer offensive against ethnic Albanian insurgents.

There were practical reasons, too, for not returning.

"Few people can prepare their damaged houses for the winter because they don't have the building materials," said Habib Qelaj, 62, a retired mathematics teacher and elder of Kisna Reka. "If they have the money for the materials, they don't have anywhere to buy them."

How long would Mr. Qelaj stay in his teepee-shaped tent, with its wooden floor, metal roof lining and comfortable cushions strewn around inside? "Until my soul comes through my nose," he said, using an Albanian proverb that is a way of saying forever.

Western governments are increasingly concerned about the plight of the ethnic Albanians who have been forced from their villages by the Yugoslav Army and Serbian police units acting under the direction of the Yugoslav president, Slobodan Milosevic.

After failing to stop Mr. Milosevic from punishing hundreds of thousands of civilians during his fight against the Kosovo Liberation Army, Western officials now acknowledge that United Nations agencies and other relief organizations will have to cope with the needs of the refugees.

The UN high commissioner for refugees, Sadako Ogata, estimates that more than 250,000 Albanians have fled their homes since fighting for control of the Serbian province started six months ago.

Tens of thousands have fled to Montenegro and Albania, but most have

stayed in Kosovo. Some have returned to their damaged homes, others are doubling up with relatives and about 50,000 are thought to be camped out in places like the hill above Kisna Reka.

Mr. Milosevic has tried to play down the crisis in Kosovo, insisting that Albanians are well taken care of. According to Western relief officials, the Serbian police have begun dispersing new groups of refugees as they form, in order to make the problem seem smaller.

Mrs. Ogata said that during a meeting with Mr. Milosevic in Belgrade last week, he disputed her estimate of 50,000 Albanian refugees without shelter. He said there were 700 refugees living in the outdoors, Mrs. Ogata said.

In Kisna Reka, Hajrije Gara, 35, said she felt safe during the day coming down from the muddy hillside to cook in the burned dining room of her house.



"The army is over there," she said, pointing to a mountain beyond the garden. "They fire at night, not necessarily in our direction anymore, but they frighten us."

## As Taxes Lag, Russia Names New Collector

The Associated Press

MOSCOW — Desperate for cash, the Russian government named a new tax chief on Tuesday to quickly increase revenues despite the country's severe economic crisis.

Prime Minister Yevgeni Primakov indicated just how great the challenge would be when he announced that tax revenues in September were only half of what had been hoped for, the Itar-Tass news agency said.

The prime minister, who gave no figures, planned talks with some of the country's largest companies, which have not been paying taxes in full.

The government's chronic inability to collect taxes has played a major role in the economic crisis. The government has been running a large budget deficit for years and regularly lacks money to pay millions of state workers on time.

The government still does not have a detailed plan to combat the crisis, but will unveil one by Oct. 8, a spokesman, Andrei Korotkov, said Tuesday.

The latest man to take on the unenviable job of tax chief is Georgi Boos, 33, a member of the Parliament's Budget Affairs Committee and the pro-government Our Home Is Russia political faction.

Deputy Prime Minister Yuri Maslyukov introduced Mr. Boos to State Tax Service employees as their new chief, the Interfax news agency reported.

Mr. Boos replaced Boris Fyodorov, who was dismissed Monday by President Boris Yeltsin. Mr. Boos's appointment was not immediately confirmed by Mr. Yeltsin's office.

Mr. Fyodorov, a strong proponent of free enterprise, advocated tough monetary policy and has taken firm action against tax dodgers in an effort to boost revenues.

But with the economy in decline, and most bank accounts frozen, tax collection has become increasingly difficult.

Mr. Primakov told his cabinet that tax collections were half of projections, and said the government was taking urgent measures, Itar-Tass reported. He has said he intends to lower the tax rate to encourage compliance.

Finance Minister Mikhail Zadornov claimed that tax revenues were up in September over August.

Mr. Primakov, who held talks with regional leaders on Tuesday, badly needs a boost in tax collection to pay the government's many debts.

He announced Monday that the government had disbursed back pay to the military, and was planning to pay its obligations for student stipends.

## Kosovars Accuse Serbs Of Continuing Attacks

Compiled by Our Staff From Dispatches

OBRIJA, Yugoslavia — Serbian forces launched attacks Tuesday south of Kosovo's capital, Pristina, ethnic Albanian sources said, despite government assertions that it was withdrawing special police units as demanded by NATO.

The attacks were reported as diplomats from the United States and other countries visited some of the 275,000 refugees driven from their homes in the seven-month crackdown.

At the Kosovo village of Obrja, the diplomats saw evidence of the carnage: the bodies of 15 ethnic Albanian men, women and children all shot in the back of the head at a makeshift camp in the woods where they had taken shelter.

The discovery of the site was among the most damning evidence yet of the methods used in the conflict by Serbian forces.

The bodies of six women, four children and five men lay unburied on the ground Tuesday, two days after Albanians said they were massacred by the Serbs.

Two of the bodies had been decapitated. One woman was missing her foot. One elderly man had his throat cut, apparently with a kitchen knife that lay on his chest. A boy of less than 10 also had his throat slit.

Like thousands of ethnic Albanians in the southern Serbian province that has been the target of a Serbian military offensive, the villagers had built a crude shack a few hundred meters from their

home as a refuge whenever troops were in the area.

Residents of a nearby village said that masked Serbian police officers forced a villager to show them where the refugees were hiding, then shot the villager and the others.

None of the clothing or personal effects of any of the dead showed any sign that they were involved in the bitter military conflict in Kosovo, in which Serbian forces have all but crushed the separatist Kosovo Liberation Army, which briefly took control of many rural areas earlier this year.

Ethnic Albanians make up 90 percent of the 2 million inhabitants of Kosovo. Both sides have reported massacres before. The Serbs have said that at least 39 Serbs were tortured, mutilated and killed near Glogjane in western Kosovo earlier this month after they were "kidnapped by the terrorists."

On Monday, the Serbian prime minister, Mirko Marjanovic, declared that government forces had crushed the Kosovo Liberation Army and that special police units would be returned to their barracks. He warned that troops could be sent back to the field again if the rebels resumed attacks on Serbian police forces.

Despite his statement, the ethnic Albanian-run Kosovo Information Center reported "heavy" Serb attacks Tuesday around the towns of Stimlje and Uroševac, about 30 kilometers (18 miles) south of Pristina. (AP, Reuters)

## New Albania Leader Chosen by Socialists

Compiled by Our Staff From Dispatches

TIRANA, Albania — The governing Socialist Party on Tuesday nominated Pandeli Majko, its secretary-general, to succeed Fatos Nano as Albania's prime minister at the head of a five-party coalition, a party official said.

If he is approved by President Rexhep Meidani, Mr. Majko, 30, would be the country's youngest leader. He was active in 1990 street protests that helped to topple the country's isolationist Stalinist regime.

Mr. Majko won the nomination in competition with two other candidates: Kastriot Islami, deputy prime minister, and Ilir Meta, a Foreign Ministry state secretary, the party official said.

Parliament selects the prime minister but the Socialists hold a comfortable majority in the 155-seat chamber.

Although he lacks ministerial experience, Mr. Majko has made a name for himself as a mediator in feuds between the government and the opposition leader, Sali Berisha.

Mr. Berisha said earlier Tuesday that he would support efforts by a new broad-based government to restore public order. Leader of the Democratic Party and a former president, Mr. Berisha also called on President Meidani to initiate a roundtable dialogue with political parties.

Mr. Nano had accused Mr. Berisha of fomenting unrest to unseat the government.

Mr. Berisha, who was locked in a bitter struggle with Mr. Nano over such matters as drafting a new constitution, also said he would work toward providing Albania with "a Western-standards constitution."

Mr. Nano resigned Monday, two weeks after an opposition politician's assassination sparked rioting led by the Democratic Party. Protesters burned the first floor of the government building housing Mr. Nano's office and took control of the Parliament. (Reuters, AP)



Pandeli Majko, the Socialists' pick to be prime minister, looks set to succeed Fatos Nano, in foreground.

## U.K. Holds Suspected Terrorist

By Benjamin Weiser  
New York Times Service

NEW YORK — A British court has ordered a suspect held pending extradition to the United States as part of the broadening investigation into Osama bin Laden, the Saudi exile who is being investigated in connection with the bombings of two U.S. embassies last month in Africa.

The suspect, Khalid Fawwaz, 36, is believed to be the leader of Mr. bin Laden's organization in Britain, according to a short summary of the case offered Monday by British authorities. Mr. Fawwaz was sought in the United States under a sealed complaint filed in U.S. District Court in New York, the authorities said.

Mary Jo White, the U.S. attorney in Manhattan, said in a statement that Mr. Fawwaz had been arrested on a warrant charging him with "conspiring with Mr. bin Laden and others to murder United States nationals." She declined to give details.

An indictment was handed down Monday against the two defendants charged in complaints last month in connection with a conspiracy to bomb the U.S. Embassy in Nairobi. They were indicted on charges that they were also involved in the bombing of the embassy in Dar es Salaam, Tanzania.

The defendants, Mohammed Rashed Daoud Odeh and Mohammed Sadiq Odeh, were indicted by a federal grand jury in Manhattan on four counts. More than 250 people died in the attacks, and hundreds were injured.

The indictment also asserts for the first time that Mr. bin Laden's organization, Qaeda, took its stand against the United States for, among other factors, "the arrest, conviction and imprisonment" of people belonging to "Qaeda and its affiliated terrorist groups, including Sheikh Omar Abdel Rahman," the Egyptian clergyman who was convicted in 1995 in a plot to bomb landmarks in New York City.

It was unclear whether Mr. Fawwaz's extradition was sought in connection with the embassy attacks or as part of the broader investigation of the Sept. 11 attacks.

## BRIEFLY

## Loser in Slovakia Gets A Nod to Seek Cabinet

BRATISLAVA — Prime Minister Vladimir Meciar's party is getting the first attempt to form a new government, despite the defeat of his coalition in weekend elections, the chairman of Parliament, Ivan Gasparovic, said Tuesday.

The Movement for a Democratic Slovakia emerged as the biggest party, but the combined opposition took a big majority of seats. Two groups, the Slovak Democratic Coalition and the Party of the Democratic Left, moved for talks. (Reuters)

## U.S. Fugitive in France Freed Until a Hearing

BORDEAUX — A French court freed an American fugitive, Ira Einhorn, from jail Tuesday and set a Dec. 1 date for a hearing on a U.S. extradition request based on conviction of murder.

Judge Claude Arighi ruled that Mr. Einhorn must report to his local police station once a week between now and Dec. 1.

This was the second time that the French authorities have jailed and released Mr. Einhorn, 57, who for nearly two decades has been a fugitive from U.S. justice.

A Pennsylvania court has sentenced him in absentia to life in prison. (AP)

## Lisbon World's Fair Ending on Low Note

LISBON — The Lisbon world's fair is drawing to an end, but with attention focused as much on waste and corruption as on what the fair was supposed to show: Portugal's arrival as a modern nation.

Organizers hoped that the four-month, \$2.4 billion fair would spotlight modernization. But attendance was low and the corruption charges were distracting. (Reuters)

## Cognac Producers Demand State Aid

BORDEAUX — Small-scale grape growers around the city of Cognac were anything but mellow Tuesday as they blocked roads to demand state aid and tax cuts to help them cope with falling sales.

Traffic jams built up around the southwestern town of Cognac as the protesters drove tractors across roads, including the Paris-Bordeaux highway.

Producers of the famed Cognac brandy have been hit by overproduction for the past few years because of increased competition from other types of spirits. The crisis in Asia, a major consuming region, has cut exports and taken some small growers to the brink of bankruptcy. (Reuters)



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## INTERNATIONAL

## Blair's Labour Party Revels in Its New Gentility

By Warren Hoge  
New York Times Service

BLACKPOOL, England — Blackpool and the Labour Party have been as compatible as fish and chips for years, but the delegates to this week's convention are having their last fling with the frumpy old resort.

In another step to shed association with its rabble-rousing socialist past, the party — which Prime Minister Tony Blair calls New Labour — is ending a 70-year-old tradition of gathering in this working class playground on the Irish Sea, with its floodlit imitation Eiffel Tower, beachfront amusement rides and rows of prim Victorian rooming houses with geranium pots on the windowsills.

The years to come will find the delegates in more refined places like Brighton and Bournemouth on the English Channel, which are the vacation spots for the aspirational class wedded to small business capitalism and shopping mall consumerism that New Labour now courts.

Blackpool's notoriously censorious landladies have had a lot of tack-spitting comments to make about being tossed aside for the new model, and they have

been joined this week in denouncing the New Labour government's leaders by shunned members of the party's left wing and of the trade union movement, which created Old Labour nearly a century ago.

Mr. Blair, in his keynote address to the conference on Tuesday, acknowledged that the blurb was fading from the party's symbolic red rose. He said people should not lose their nerve as the government confronted "tough decisions" on the economy, welfare and productivity in the public sector.

"No retreat," he said defiantly. "No backing down. Backbone, not back down, is what Britain needs."

With the first signs that the long honeymoon his government has had may be coming to an end, he said, "We would rather be popular than unpopular, but it is better to be unpopular than wrong."

His speech to the Labour faithful last year was triumphant, coming only months after the party had wrested the government back from the Conservatives after 18 years out of power. Tuesday's took credit for accomplishments of the past year but sounded a warning about the future.

He told delegates in the gilt Winter Gardens ballroom that what he called

modernizing moves would provoke dis-sidence, and he appealed for support. "When we bring forward proposals for change in our welfare," he said, "don't tell us it's a betrayal of the welfare state, when in truth welfare reform is its only salvation."

He said: "There will be attacks to the left of you, attacks to the right of you, attacks from behind and in front. Welcome to government."

Mr. Blair's personal popularity, in fact, continues high, with approval ratings in the 60-percent range, and his control of the party is secure. But his having turned Labour into what he called on Tuesday a "pro-business, pro-enterprise" party incurs disapproval from older party members at a time when recessionary fears are rising and some multinational employers around Britain are shutting down or cutting back.

Mr. Blair looked out at an audience on Tuesday that included restive union leaders who are increasingly questioning his government's austerity policies, which have resulted in high interest rates. Mr. Blair reminded them that voters had chosen "a New Labour party not in the pocket of the trade unions, not taxing them through the roof, not chasing after every passing fad of the polit-

ical fringe, but modern, principled and in touch."

Just two weeks ago, in the same hall, John Edmonds, president of the Trade Unions Congress, had criticized the government for not cracking down on big boardroom salaries. It was a blast more typical of Blackpool rhetoric than Mr. Blair's reflective address.

"A company director who takes a pay rise of 50,000 pounds when the rest of the work force is getting a few hundred is not part of some general trend," he said. "He is a greedy bastard."

The union movement contributed 77 percent of the party's budget a decade ago but accounts for less than 40 percent now. The membership of the Labour Party has changed dramatically, and the people passing by the bingo parlors and vendors peddling Blackpool rock candy sticks this week were no longer hard-bitten miners in cloth caps. They were accountants, lawyers, economists, management consultants and business people, most of them dressed in dark suits accessorized with cellular telephones.

Even without moving out of Blackpool, the Labour Party has already tidied up its once famously disruptive conferences. New rules regulate what issues



Prime Minister Tony Blair addressing the Labour conference Tuesday.

can come to the floor, and the only people to be called on to speak are ones who have been briefed and screened ahead of time.

New Labour has taken sponsorship to new levels in British political life at this conference. For example, the tags around the neck of every delegate, visitor and journalist bear the logo

of a national chain of supermarkets. In a question-and-answer meeting with delegates Sunday, Mr. Blair was asked if this didn't mean the party was for sale.

"Personally, I feel it's sensible to raise money from people sponsoring things, provided they understand they get nothing in return," he said.

Eastern Germany in 1998:  
A Land of Angry People

Frustrated Voters Turn to Ex-Communists

By Edmund L. Andrews  
New York Times Service

HALLE, Germany — Most of the nightmarish, polluting chemical refineries in this East German city have been bulldozed since the fall of the Berlin Wall, along with most of the jobs that went with them.

But many of the former workers are still here and still living in the graffiti-covered high-rise apartments that the state-owned chemical industry built for them more than 30 years ago.

This is a neighborhood with old friendships, strong community ties and meticulous housekeeping, surrounded by weeds and crumbling walkways.

It is also one where most people who voted Sunday were discouraged, disillusioned and desperate for a change.

"We are all unemployed, every one of us," said Irene, who came to vote with her husband, Hans, and two long-time friends who have been neighbors here since 1966.

All were in their 50s and none would

give full names. "If you are more than 50 years old, you have absolutely no chance of getting work," she said. "In fact, it's hard if you're over 40."

Eastern Germany played a central role in Chancellor Helmut Kohl's extraordinary electoral defeat Sunday, largely because of such frustrations.

The East used to be one of Mr. Kohl's strongholds, thanks to his role in reunifying Germany and pouring vast into reconstruction. But with 17 percent of East Germans jobless — and many more in government-paid welfare programs — Mr. Kohl's time had run out.

The Social Democrats, led by Gerhard Schröder, won the election with 40.9 percent of the vote, up from 36.4 percent in 1994. Mr. Kohl's Christian Democrats slid from 41.4 percent to 35.2.

Overwhelming support for the Social Democrats in four Eastern states and Hamburg city helped give Mr. Schröder his comfortable 21-seat majority in Parliament.

In a sign of just how angry many people here are, the successor to East Germany's old Communist Party, now called the Party of Democratic Socialism, saw its share of Eastern votes climb from 19 percent to 21 percent.

For the first time ever, the former Communists received more than 5 percent of votes nationwide, thus gaining full status as a minority party.

Here in Halle, people expressed their disillusionment in many forms. Doris Mey, a 47-year-old schoolteacher who came with her husband, Harald, said that, for the first time, she would vote for the former Communists.

"We are both employed and our own lives are not that bad," she said. "But many of our friends are jobless, many of them. And I can see the impact that it is having on children at school. They are disoriented and distracted. They know their parents don't have work, and they absorb their frustration."

Christiane Fisher, a physician's assistant who is also 47, said she would vote Social Democrat after having voted for Mr. Kohl in the past.

"My son is in the military right now, and we're not sure what he will do when he gets out," she said. "He was a construction worker, but construction has slowed down so much and there are so many illegal foreign workers here who work so much more cheaply. I always thought things would be better, but they aren't. A lot of things were promised, but it isn't much better."

Several others here said that they had voted for the ultra-right German People's Union, known by its German initials as the DVU. At a McDonald's just outside town, two workers who would identify themselves only by their first names, Lutz and Frank, said they had voted for the rightist party as a protest against complacency in Mr. Kohl's coalition.

Mr. Lutz, a 31-year-old bricklayer, said: "I'm making a protest vote, pure and simple, because none of the parties are doing what needs to be done."

Four years ago, both men said, they voted for the Christian Democrats. They were among 200,000 former CDU voters who opted for the anti-foreigner DVU.

To be sure, the billions of marks pumped into Eastern Germany have transformed even the bleak concrete tenements for the chemical workers. Some of the high-rises have new facades, with bright paint and sturdy windows.

The parking areas are jammed with Volkswagens and even a few BMWs. And huge suburban shopping centers are just a 10-minute drive away.

Yet, spiritually and emotionally,



A worker in Bonn removing campaign posters of Helmut Kohl and Gerhard Schröder, remnants of the German general elections Sunday.

many people here say they see little of the "blooming landscapes" that Mr. Kohl promised at the time of German unification in 1989.

"My son works as a BMW salesman here, and he drives a BMW because it comes with the job," said Helga, 57, who worked for 14 years at a local bank before being laid off three years ago.

"But he isn't making any money because he can't sell any cars, so he always comes over to our apartment for dinner."

Even some people who have good jobs said they voted against Mr. Kohl. Andreas Koerner, a mid-level manager at an electronics company near Leipzig, said he had cast his ballot for the Social Democrats simply because the government, he felt, needed new blood.

"We just have to have some new ideas and more energy," he said as he waited for a train in Leipzig. "I am concerned about business, but my vote was partly out of concern for business. There are a lot of other people who feel that way, too."

## GREENS: A Curvy Trail Led the Party to the Top in Germany

Continued from Page 1

hesitations over any NATO military action in Kosovo, resolute opposition to imports of American foods that have been genetically modified — rather than any serious confrontation with the Greens.

Sensing the unease over the unpredictability they have shown this year, the Greens announced Tuesday a reorganization of the party aimed at wresting some power from local organizations and increasing centralized control.

In the past, such moves have been resisted, because they smacked of excessive hierarchy.

Even the term "leader" has been shunned because it was a far cry from the sandal-wearing spontaneity of the party's birth.

"We want to carry out structural reforms that will lead to a truly federal party," Heide Rühle, the party manager, said in a radio interview. "At the moment we are a kind of loose collective of very strong local groups with their own rules and funding, who have pushed the central party around a bit."

Up to now, about 80 percent of the party's funding has gone to local state units of the Greens and only 20 percent to the central organization. As a result, Mr. Handel said, the party had little central control and "we have been talking with different tongues."

This was evident at a party congress in Magdeburg in March that turned into a

Despite Mr. Fischer's pleas, the party came out then against the continued participation of German troops in the North Atlantic Treaty Organization's mission in Bosnia. The congress also, to Mr. Fischer's horror, voted for taxes that would have sharply increased gasoline prices.

Both these positions were later revised as their unpopularity, and the obstacles they would pose to an alliance with the Social Democrats, became clear.

But the old split between "Fundis" and "Realos," the committed pacifists and the pragmatists, remains, as does a rivalry between Mr. Fischer and Jürgen Trittin, another leading figure, whose criticism of the German Army caused an outcry early this year.

Mr. Trittin, for example, did not hesitate to call for the closing "as soon as possible" of Germany's 20 nuclear power plants immediately after the election. Mr. Fischer was silent on the subject.

The Greens now plan to set up a 20-member committee that will provide greater central control and ensure that the positions of the party's various leading figures are closely coordinated, party members said.

Mr. Handel, the spokesman, said, "We want to be serious partners for the European and Atlantic allies. There are treaties and these treaties must be respected. We do not want to turn back the tide of history."

Thus, while the party has taken a

recognizes that a decision has been made on the subject and will abide by it, he said.

"In the long term," he added, "we would like to see the Organization for Security and Cooperation in Europe take over many tasks from NATO, but that, I repeat, is a long-term aim."

In the short term, it seems clear that the Greens will work hard to agree to a solid four-year government program with Mr. Schröder and to disprove Helmut Kohl's repeated warning during the campaign: "The Green party platform represents a major security risk for Germany."

It will be a major adjustment for a party unused to the strictures of government or central organization. And the adjustment will have to be made quickly. Officials said Tuesday that Mr. Schröder wants to be sworn in by Oct. 22 so that he can attend a European Union summit meeting in Austria later that week.

## ■ Visit With Yeltsin Is Planned

Mr. Schröder, who plans to visit France on Wednesday, said Tuesday that he also intended to visit President Boris Yeltsin in Moscow once Parliament confirmed him in office, Reuters reported. He confirmed that Mr. Yeltsin had telephoned to congratulate him on his electoral victory Sunday.

He also said that he would not travel to Moscow before the Bundestag formally

## KOREA: Aid Agency Pulls Out of North

Continued from Page 1

retreat from North Korea just weeks after the United States committed itself to increase donations of food to North Korea by 300,000 tons, making the United States by far the biggest international supporter of the program to stop a food crisis that, according to a U.S. congressional delegation's report last month, is killing 300,000 to 800,000 North Koreans a year.

The U.S. decision met opposition from aid officials, who questioned the ability of the World Food Program and the five American charities in North Korea to monitor the food deliveries.

The Tuesday announcement detailed a string of setbacks suffered by one of the world's most respected aid agencies in its attempts to crack North Korea's system and help suffering children.

Aid officials said that, compared with European charities, the Americans had been even less successful in ensuring that the aid was not going to Communist Party loyalists or to the army.

Western aid officials have privately criticized the United States for sending food to North Korea as a vain attempt to ensure that the volatile Communist state would not collapse or undertake military adventures — such as attacking South Korea, where 37,000 U.S. troops currently patrol the demilitarized zone along the North's border.

"It's a bribe, nothing more," said one aid official. "But if you don't insist on better monitoring, very little of the food will go to the needy. It will go to loyal party people and the army."

Dominique Lafontaine, a French doctor who has been based in North Korea since August 1997, said Doctors Without Borders had fed 14,000 malnourished children in therapeutic centers during his time there.

As they conducted inspections, health officials noticed that some of the children were extremely malnourished while others were relatively healthy. When they asked about the malnourished ones, they determined that they had been collected in "9-27 camps."

The North Korean leader established the camps, aid officials said, as part of a police action to force millions of people who had left their villages in search of food to return to home.

The people are arrested, incarcerated in camps and then sent home, where they are incarcerated again, according to Western aid officials.

"We have asked for access to the places where the children are, but we were refused," Dr. Lafontaine said. "Local authorities confirmed that there were many homeless and orphaned children but when we asked the central government, they denied that they existed. The plight of these children concerns me deeply."

Officials of the charity said that North Korea needed to allow aid officials to conduct a nutritional survey of

its children throughout the country. A survey begun Sept. 21 by Unicef, the European Union and the World Food Program will not be allowed to enter one-third of the country.

One Western aid official expressed concern that Unicef risked being tricked by the North Koreans into reporting that things were much better than they seemed. "Then they will ensure that the limited aid will go to the right kind of children," he said.

## BRIEFLY

## West Bank Militant Killed by Car Bomb

RAMALLAH, West Bank — An Islamic militant was killed and two others seriously wounded on Tuesday when a bomb ripped apart their car in this Palestinian city, security sources said.

The bomb had been placed in the trunk of the car, possibly in preparation for a suicide attack on Israel to coincide with Yom Kippur, the Jewish Day of Atonement, which began at sundown on Tuesday, the sources said.

Weapons were also found in the vehicle, a Volkswagen Golf bearing Israeli license plates that was parked in an industrial zone, the sources said.

The three men were identified by police as Hamas members who had been sought by Palestinian security forces.

Israel security forces have been on high alert because Hamas militants have vowed to avenge the deaths of two senior associates who were slain by Israel special forces on Sept. 10. (APF)

## Israeli Police Clash With Arab Protesters

JERUSALEM — Security forces clashed with Arab protesters in northern Israel on Tuesday during a general strike against land confiscation and alleged police brutality.

Witnesses said paramilitary police fired rubber-coated bullets and tear gas at hundreds of stone-throwers in Umm al-Fahm and Nazareth, the two biggest Arab towns in Israel.

In Umm al-Fahm, President Ezer Weizman met with local officials to try to calm tension before the start on Tuesday evening of Yom Kippur, the holiest day in the Jewish calendar.

The violence of the past few days, in which hundreds have been injured, was the worst in the Arab community in more than 20 years. It erupted in Umm al-Fahm on Sunday after Israeli police evacuated Arabs from tents they pitched in a nearby village on land the army wants to use as a firing range. (Reuters)

## Leakey Back on Job At Kenya Wildlife

NAIROBI — Richard Leakey, the Kenyan conservationist, plans to resign as an opposition member of Parliament after being reappointed as director of the Kenya Wildlife Service, his party, Safina, said on Tuesday.

A fierce critic of President Daniel arap Moi, Mr. Leakey said on Friday he had accepted an offer from the president to retake the helm of the financially troubled Wildlife Service, a position he quit in 1994 amid allegations of mismanagement.

Although Mr. Leakey did not state his intention to quit Parliament, the Kenyan Constitution prohibits members of Parliament from holding office in the civil service, a Safina party leader said. (Reuters)

## Raging Fires Snuffed In Brazilian Park

BRASILIA — Firefighters have put out the last flames of raging bush fires that destroyed a large area of a national park in Brasília. Killing wildlife and smothering the Brazilian capital with smoke, an official said.

About 300 firemen and volunteers brought the situation under control Monday in the 74,000-acre (30,000-hectare) Brasília National Park shortly before heavy rains broke the annual dry season. A spokeswoman for the official Protec-



## INTERNATIONAL

ANWAR:  
Bruised, He Denies Guilt

Continued from Page 1

it, because it's happened before — but never to a deputy prime minister," said Rustan Sani, a commentator and deputy president of the Malaysian Social Science Association. "I think people are angry, but not surprised." He said the credibility of the judicial system had now become an issue for the reform movement.

Mr. Anwar's beating is also sure to ignite international outrage, as he has a wide network of friends and allies abroad, including Defense Secretary William Cohen, who is a close personal friend, and President B.J. Habibie of Indonesia. Leaders from Asian and Pacific countries, including President Bill Clinton, are scheduled to come here in November for the annual meeting of the Asia-Pacific Economic Cooperation forum, but many here say using Kuala Lumpur as a venue could now prove embarrassing.

There was little evidence Tuesday of a public reaction, as a massive police presence — including specially trained troops with automatic assault rifles slung over their shoulders — threw up a tight cordon around the courthouse area and prevented even pedestrians on their lunch breaks from walking near the building where Mr. Anwar was being formally charged. Hundreds of Anwar supporters did try to gather intermittently, but they were quickly dispersed by red-helmeted policemen with batons and plastic shields.

During the hearing, the equivalent of an arraignment, Mr. Anwar told the judge of a severe beating he suffered on the first night of his detention, Sept. 20, while he was handcuffed and blindfolded. At one point he pushed back the sleeve of his blue-and-white checkered shirt to show more bruises on his arm. He also tugged at



Azizah Ismail, the wife of Anwar Ibrahim, entering court Tuesday in Kuala Lumpur with a daughter, Nurul Izzah, 18, to hear the charges brought against her husband.

his trousers and made a motion with his hand to his mouth to show reporters that he was not eating well and was losing weight.

"I was boxed very hard on my head and lower jaw and left eye," Mr. Anwar was quoted as telling the presiding judge, according to witnesses. "I was then slapped very hard, left and right, until blood came out from my nose and my lips cracked. Because of this, I could not see or walk properly."

Mr. Anwar said he was kept in solitary confinement for five days after the beating, and during that time the police refused his repeated demands that he be allowed to see a doctor, even though his vision was blurred, his balance was impaired, and he was having trouble using his bruised arm.

The beating, he said, was "a clear message to behave after that."

Mr. Anwar's wife, Azizah Ismail, an ophthalmologist, sat behind her husband in the courtroom and at one point gave him a rudimentary eye test, having him close one eye, then the other, while she examined for damage. Two of their five daughters also sat with her, weeping during much of the proceedings, and he turned to them, made a fist, and told them, "Pray, I'm a fighter. I'm innocent."

Mr. Anwar appeared in high spirits and defiant, according to a witness who was inside the courtroom, which was packed with about 80 people, including a few reporters. He joked with his wife behind him, made eye contact and gave hand motions to send messages to the press, and he rolled his eyes sarcastically and shook his head when prosecutors hurled charges at him.

Later, Miss Azizah was allowed to visit her husband in jail, where she was hoping he could receive outside medical attention.

## ARAFAT: Palestinian Agrees to Idea on West Bank

Continued from Page 1

concession by Israel. Mr. Netanyahu had said Israel could not give up more than 9 percent of the West Bank territory for fear the land would be used as a base for terrorist attacks.

Mr. Arafat, on the other hand, was reportedly under pressure from other leading Palestinians to reject the offer as inadequate.

Israeli withdrawal from the additional 13 percent of occupied land would give the Palestinians control of 40 percent of the West Bank, an area where all but 2 percent of the Palestinian population resides.

Mr. Clinton, who had announced on Monday "a significant narrowing of the gaps between the two parties," is clearly eager for a political boost from brokering an end to the 18-month impasse in the Middle East peace talks.

The summit meeting will come just weeks before the Nov. 3 elections.

He ordered Secretary of State Madeleine Albright and the special Mideast envoy, Dennis Ross, to fly to Israel next week to help lay the groundwork for the Washington meeting.

U.S. mediators will now concentrate on extracting security concessions from Mr. Arafat that Mr. Netanyahu can accept.

The Israeli prime minister has faced heavy pressure from conservatives bitterly opposed to surrendering land.

Michael McCurry, the White House spokesman, said that Mr. Clinton was "determined to see an agreement arise" from the U.S. diplomatic efforts.

A senior U.S. official told The Associated Press that Mr. Arafat and Mr. Netanyahu had committed themselves to move on after the October meeting to negotiations on a final settlement.

Mr. McCurry said that "difficult negoti-

ations" lay ahead. He said Mr. Clinton would be "directly involved in some way, shape or form."

He indicated, however, that the approach taken in 1978 by President Jimmy Carter — when he kept President Hosni Mubarak of Egypt and Prime Minister Menachem Begin of Israel together at the Camp David presidential retreat for a marathon session until agreement was reached — was unlikely to serve as a model.

White House aides said it was possible that the talks would be held at the retreat in the Maryland mountains but that it appeared unlikely.

Should an agreement be signed, it would mark the beginning of an even more arduous process, aimed at reaching a final peace settlement between the Israelis and Palestinians.

Among the thornier issues to be resolved would be the final status of Jerusalem, which is claimed by both sides.

Under earlier accords, Israel had agreed to withdraw from 27 percent of the West Bank land it occupied in the 1967 war.

But the withdrawal was postponed after Palestinians said it was too small. The talks now under way would very likely combine the two withdrawals, with a third to be negotiated in the final-status talks.

Earlier, Mr. Arafat addressed the UN General Assembly. He called on the body, which is broadly supportive of his cause, to support a Palestinian state.

Yet, he bowed to U.S. wishes — a White House official said Mr. Arafat reviewed his speech Monday with Mr. Clinton — and dropped a threat in a draft of his speech to declare a Palestinian state if the negotiations with Israel went beyond the May 4 deadline set by the Oslo accord.

Mr. Netanyahu was eager to prevent such a unilateral announcement by Mr. Arafat.

## IMF: G-7 Nations Offer Conflicting Ideas for Reshaping World's Economic System

Continued from Page 1

Britain to re-examine the role of the World Bank and IMF and consider a partial merger of the two Bretton Woods organizations.

A preference by the United States for a more gradual approach to reshaping the architecture of the global financial system that avoids most of the above proposals, which the Clinton administration deems unwieldy and unworkable.

The proposals for reform offered last week by Mr. Blair, including a suggestion that the IMF and World Bank might be partially merged, are being dismissed by many private sector experts and international financial officials as lacking in detail and substance.

France, meanwhile, is spearheading a campaign that would reinforce the power of Michel Camdessus, the IMF's French-born managing director. Mr. Camdessus has been heavily criticized by members of the U.S. Congress, by private sector economists and bankers, and by some G-7 officials for having failed to apply flexible solutions to troubled Asian economies and for having been unable to stanch the Asian contagion as it spread from the region to Russia and Latin America.

"It is always easy to say the IMF made mistakes," said France's finance minister, Dominique Strauss-Kahn. "But the problem is not really mistakes by the IMF but the fact that it is not politically authoritative enough. I think we need to implement a genuine political governance of the IMF."

In an interview, Mr. Strauss-Kahn argued for the IMF's 24-member Interim Committee to be transformed into a formal council that would hold regular meetings of finance ministers and en-

able IMF decisions "to give more importance to the political side."

Mr. Strauss-Kahn also criticized the U.S. initiative that has brought together the G-7 plus 15 other emerging economies in an ad hoc group — dubbed the G-22 — that is working on international financial reforms.

"I can understand that our American friends want the IMF to go on as before," Mr. Strauss-Kahn said, "but a lot of countries are not represented in the G-22."

A U.S. official on Tuesday dismissed the French proposal, saying it was merely a mask for Mr. Camdessus, "who wants everything done inside the IMF and is worried about losing control."

When asked about the notion of transforming the Interim Committee into an executive council that holds regular minister-level meetings, the U.S. official said, "Fat chance of that happening," and he noted that Washington had enough votes to veto such a proposal at the IMF.

Mr. Strauss-Kahn's other key proposal, which is part of a 12-point French plan, is to improve international coordination on exchange rates by recommending that other parts of the world imitate European monetary union on a regional basis.

"The experience we have in Europe on EMU is probably an experience that can be used to help limit exchange rate fluctuations," he said, adding, "There may be a role for currency blocs or monetary unions on a regional basis, modeled on EMU."

The German proposal for targeting exchange rates, while dismissed by some international financial officials as unworkable, was also attacked on Tuesday by a Bundesbank council member, Franz-Christoph Zeitzler, who told Reuters that calls for

controls on foreign exchange would be seriously flawed as they would lead to the temptation to put off hard solutions that would get at the root of problems.

Japan, meanwhile, is sending its delegation to Washington with a proposal to impose controls on the flow of capital in times of crisis, according to Mr. Miyazawa, the finance minister.

"Restricting the free flow of capital is not easy," he conceded Tuesday.

One senior international financial official on Tuesday poured cold water on the idea, which is also close to anathema for the free-market oriented United States.

Earlier this month, Prime Minister Mahathir bin Mohamad of Malaysia imposed sweeping capital controls, but few other countries have followed suit.

Japan's other idea, to be discussed in Washington, is to consider ways of providing financial support for troubled East Asian economies.

A year ago, the U.S. and the IMF shot down a Japanese proposal for a regional rescue fund, but the new proposal is intended as a way of helping crisis-stricken countries to recover. (Page 13.)

Mr. Miyazawa said Tuesday he may also propose ways of regulating hedge funds during the G-7 gathering in Washington.

The \$3.5 billion private-sector rescue of Long Term Capital Management in New York, arranged by the Federal Reserve Bank of New York, has drawn criticism internationally and is expected to be discussed by the G-7.

For example, Mr. Strauss-Kahn, the French finance minister, said he could "un-

derstand why the Fed did what it did, and the issue is not whether it was a good idea or not."

"But the hedge fund rescue showed we need more information from the private sector as well as the public sector," he said.

A U.S. Treasury official, while declining to comment on specific proposals from other G-7 governments, stressed that the work of the G-22 group would be putting forward "important ideas and approaches to improving the architecture of the international financial system in three areas."

These, he explained, "include how to achieve more transparency, incentives to improve the financial system and to involve the private sector to a greater extent."

The meeting of the G-22 will be held next Monday.

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Larry Prusak, Head Knowledge Management, IBM Intl., USA  
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## ASIA: A Call for Lower Rates

Continued from Page 1

debt-servicing costs, but would not be enough to attract fresh capital flows to hard-hit economies.

Unless structural changes are pursued more aggressively — including the radical revision of banking and supervisory systems, the recession gripping East Asia will not end soon, the report said.

The task ahead is enormous, said Jean-Michel Severino, the World Bank vice president for the East Asia and Pacific region. Virtually all of the countries in East Asia are transforming the old ways of conducting their business and politics.

The report, while suggesting that restructuring could produce signs of economic recovery in 1999, noted that "the fires of instability are almost contained in some countries, but are far from being under control in the region as a whole."

Not only could these fires erupt anew, said the World Bank, "they still threaten to sweep into other emerging markets."

According to the report, Indonesia's economy will be hardest hit by the crisis, shrinking 16 percent by the end of 1998. Thailand will contract by 7.9 percent, followed by South Korea and Malaysia, contracting 4.7 percent and 3.4 percent respectively, according to the study.

Recovery from the recession, the report said, "will take longer in East Asia than in Mexico and Argentina after their 1994-95 crisis because of the problem of corporate and bank insolvency, and because of the regional scope of recession, including Japan."

The recovery of the region will also hinge on the soundness of the U.S. and European economies and their ability to buy imports, the report said. The report concluded that at this stage in the crisis, three facts emerge with stark clarity:

• The level of devastation, in terms of loss of wealth, lost economic output and peoples' lives, is severe. Tens of millions of people are likely to be pushed below the poverty line.

• The crisis has taken on systemic proportions in Thailand, Korea, Indonesia and Malaysia, with many banks and firms forced into bankruptcy and many more hovering on the brink.

• The region-wide recession will make it difficult for any single country, no matter how effective its policy, to escape "the pressure of downward forces" on its own.

These events, said the World Bank, left unchecked, "threaten to engulf the whole of East Asia" and could imperil the expansion of the world economy.







## OPINION/LETTERS

## If Clinton Goes, the Coup Will Be Christian Right's

By Anthony Lewis

BOSTON—One political force is more determined than any other to drive President Bill Clinton from office for his behavior, and the same force would be the big political gainer if he is removed. That is the Christian right.

Elizabeth Drew, writing in *The Washington Post* last week, said that the president "will be impeached." One reason, she said, is that "the ever-stronger Republican base, the Christian right, demands that it happen, and few Republicans will risk crossing them. This is more important to most Republicans than the president's job approval ratings."

Impeachment needs only a simple majority in the House of Representatives. Conviction in the Senate, requiring a two-thirds vote, is much less likely.

But even impeachment, the course on which House Republicans seem to be set, would have enormous consequences for American politics.

The Christian Coalition and other religious conservatives would become still more influential in the Republican Party. In recent years they have had a disproportionate voice in the writing of the party platform and in presidential primaries. In 2000 they might well control the choice of the nominee.

George W. Bush, the centrist governor of Texas whom many regard as the front-runner for 2000, said the other day that seeing Washington in its upsurge over Monica Lewinsky made him wonder about running for president. In any event, he could have trouble winning the nomination in a convention dominated by the right, whatever his poll numbers.

The shift to the right would be just as consequential in congressional policy terms.

The social issues that mean so much to religious conservatives—the issues that President Ronald Reagan pushed aside to concentrate on economic policy—would come to the fore.

Abortion would be targeted for a range of new restrictions, including even a constitutional amendment to outlaw it. And concern with sexual matters would not be likely to stop there. There would be legislation to limit U.S. help for population control efforts around the world. Federal reg-

ulations to give equal treatment to homosexuals would be another target. The law forbidding grants to "indecent" art could be expanded to other fields.

Criminal law is another possible area for punitive moralism. House Republicans have already acted under cover of the Lewinsky turmoil to try to sneak a harsh new measure on juvenile crime onto the statute books. They have attached to a noncontroversial bill a rider requiring the states, among other things, to put more children in prison with adult criminals.

If you think about all those things, it is clear that there is an effort under way to bring about a fundamental change in the political direction of the United States, effectively changing the results of the last two national elections. It would be a coup d'état.

Long before Linda Tripp gave her tapes to Kenneth Starr, there really was a rightist conspiracy of sorts to bring down this president. Richard Mellon Scaife gave *The American Spectator* millions of dollars for its Arkansas Project to find dirt on Bill Clinton. Crazies spread tales that he was involved in murder and drug-smuggling. Conservative groups financed Paula Jones's lawsuit against the president. (Her lawyers hired as investigators members of a Texas church that tried to remove "Moby Dick" and "To Kill a Mockingbird" from the local high school reading list.)

It was Mr. Clinton's arrogant folly that opened the way for the religious right and others long frustrated in their desire to destroy him. And they are dead serious in their determination to exploit the opportunity he gave them.

The outside world looks with astonishment at what is happening here. A columnist of the *Financial Times* of London, Philip Stevens, wrote: "As the days pass, the proposition that the most powerful nation on earth could sacrifice its leader to lie about his sex life becomes ever more eccentric."

Many Americans who do not agree with the religious right—who want America to remain an open and tolerant society—are unhappy about Mr. Clinton's conduct. But as we consider how to deal with it, we have to be aware of the political consequences.

The New York Times



## LETTERS TO THE EDITOR

## First Thing for Africa

Regarding "Africa Is Missing Out on a Revolution" (Opinion, Sept. 24):

African societies have certainly suffered from neglect and even malevolence by the international community. Yet it is fatuous to single out a lack of computers and Internet access on the long list of priorities facing most African peoples.

Ethan B. Kapstein and Thomas A. Marten correctly emphasize the important role that freedom of information plays in the construction of democratic and prosperous societies. The role of the Internet, however, must be considered in context in much of the developing world. Food and medicine are basic materials, as are schools and hospitals with electricity and potable water.

Africa must and will join the information age. It is nevertheless myopic to impose the economic model of postindustrial societies on communities with vastly different backgrounds. Most African people face a very different set of challenges.

Africa is indeed in need of a revolution—a sea change in the way economies are managed and how incomes are distributed. Africa's unfortunate history of inept and corrupt leadership has af-

fects all avenues of development, from education and medicine to industry, agriculture and the environment. Start with books and shoes, and computers will follow in good time.

Dr. JAMES S. ALBERT,  
Dr. MILANGA MWANATAMBWE,  
Tokyo.  
Dr. MYUMBE TAMFUM,  
Kinshasa, Congo.

## Too Many Cooks

Regarding "Rushdie Edict Stands, Iran Says" (Sept. 28):

First he screwed up in India, then with Israel, and now with Iran. Will Foreign Secretary Robin Cook of Britain now make the worldwide cover of *The Economist* as the "British Serial Bunker"?

MLADEN ANDRIASEVIC,  
Beersheba, Israel.

## Hedge Hog

Regarding the editorial "Never Too Big to Fail" (Sept. 26):

The plight of John Meriwether, until recently head of Long-Term Capital Management and described as a former "genius" of bonds and hedge funds, reminds me of a remark about the 1929 crash defining "economic genius" as a "short memory and a rising market."

Isn't the hedge fund's ease at raising \$20 for every \$1 of col-

lateral similar, but on a huge scale, to the little man's margin buying that helped bring about 1929?

FREDERICK S. WILDMAN,  
Colebrook, Connecticut.

Subscribers to the Long-Term Capital Management fund engaged in speculation in its purest form. It is regrettable that your article ("Hedge Fund Meltdown: A Saga of Bad Bets and Jittery Markets," Sept. 26) refers to them as "investors."

PETRA OSINSKI,  
Dhaka, Bangladesh.

## Bloated Money

Regarding "In Siberia, Labeled Attempts to Make Inflation Illegal" (Sept. 24):

It is the expansion of currency by the money-issuing monopoly—always the political state—that requires people to raise prices, and not the raising of prices that causes inflation. When a currency is debased by the state, producers and service providers raise prices to compensate for the fact that money is relatively less valuable.

Money is a commodity, the same as steel or hamburgers. You flood the market with them, and they become less valuable.

WILLIAM W. MORGAN,  
Hanoi.

## White House Sex Kitten Wasn't Just Purring

By Mary McGrory

WASHINGTON—On May 24, 1997, which Monica Lewinsky called "Dump Day," Bill Clinton announced the end of their affair. She wept and told him that presidents in the past "needed girlfriends."

Not girls like Monica, they didn't. At first, yes, she had seemed like the answer to a wench's prayer. She offered on-the-premises, no-argument, special-tastes-accommodated sex. But her transformation from sex kitten to hellcat had to be one of the nastiest shocks of Mr. Clinton's shock-filled life.

Previous presidents did not have to face hysterical girls threatening to tell their fathers. Lucy

shot had been staged to offset the off-putting developments.

Monica said how hurt she was that the president, in his brief, lying speech to the American people, had failed to point out that she was "a nice, decent person."

Mr. Clinton belatedly spoke well of her in his grand jury appearance, that unexpected box-office hit. His people had trashed her as a ditsy stalker. He, however, in the face of the Starr report's account of character flaws such as adultery, perjury and shrewishness, called her "basically a good girl with a good heart and a good mind." In her turn, she gave him a fond character reference: "a sweet little boy," affectionate, kind, warm, selfish, self-centered, self-righteous incredible person who does what is in the best interest of his country.

His fate is the country's prime concern. And Monica? She has disappeared. Her name is mud, but one should never underestimate the cult of celebrity in the United States. She could end up as a highly paid dispenser of advice to the lovelorn.

One thing we could wish her: more people in her life like the grand jurors who questioned her at the end of her long stay in the dock. She and they had an incredible encounter. Kindly, but inexorably, they made her look at herself. They pointed out she had a habit of seeking out married men. They forced her to drop her babble about her issues and come right out and say it: "It's not right to have an affair with a married man."

They loved her, you could tell. You would, too, if you suddenly found yourself on a jury with one-half of the world's premier scandal in your lap and you get a chance to tell her how to act. She is to stop hating Linda Tripp: What goes around comes around.

They assured her we all fall. They forgave her. They most helpfully asked Monica if she had something to "share" with them. She certainly did. She shredded Kenneth Starr's perjury charges: "No one ever asked me to lie and I was never promised a job for my silence."

We can only hope that the next time the girl has a problem—sorry, issue—she will call one of these good women instead of Linda Tripp.

The Washington Post

## BOOKS

## SIR VIDIA'S SHADOW

A Friendship Across Five Continents

By Paul Theroux. 358 pages.  
\$25. Houghton Mifflin.

Reviewed by Michiko Kakutani

THE writers V.S. Naipaul and Paul Theroux had a long, mutually sustaining friendship that began in 1966 in Uganda and ended three decades later in London, when Naipaul (apparently angered by an exchange between his new wife and Theroux) reportedly snubbed Theroux in the street, coldly telling him to "take it on the chin and move on."

Theroux's reaction to the end of a 31-year friendship was peculiar to say the least. Within minutes he began thinking about writing a book about his former mentor and friend. He had long wanted to write such a book, he recalls, but "it was impossible" because "friendship had its rules." Naipaul's snub, he argues, changed all that: "I was dazed, because I was liberated at last," he writes. "I saw how the end of a friendship was the start of an understanding. He

had made me his by choosing me; his rejection of me meant I was on my own, out of his shadow. He had freed me, he had opened my eyes, he had given me a subject."

The resulting book, "Sir Vidia's Shadow," which has already provoked considerable controversy in the literary world, is part memoir, part biographical sketch, part effort to settle scores—a book, in essence, that tries to do to Naipaul what Hemingway's mean-spirited "Moveable Feast" did to Fitzgerald.

Although "Shadow" begins evasively enough, it finishes by creating an acidic portrait of Naipaul as a bitter, selfish man—occasionally generous and entertaining but more often cruel, dismissive, bigoted, misogynistic, snobbish, arrogant and cheap. At the same time, it is a book that unwittingly leaves the reader with a picture of Theroux as a vindictive younger writer who evolved from worshipful apprentice to resentful colleague, a writer who came to see Naipaul patronizingly as "weaker and needier" than himself.

When the two met in 1966, Theroux was a 25-year-old American teaching in Uganda;

Naipaul was a 34-year-old author who had already achieved a modicum of renown. Theroux, who desperately hoped to become a writer himself, wanted Naipaul for a friend, and he soon became the novelist's interpreter and guide.

Naipaul, in turn, encouraged Theroux's efforts to write, and over the years he gave Theroux what amounted to "a correspondence course in creative writing."

"It mattered to me that he took me seriously, that he treated me like a fellow writer," Theroux writes. "No one else did, but that did not matter, because I had him."

These early pages in "Shadow," chronicling Theroux's apprenticeship as a writer and his experiences in Africa, exhibit the fierce gifts of observation that animate his finest travel books, and they also possess an energy and density of description missing in his more recent novels like "O-Zone" and "Chicago Loop." The mood, sound and feel of Africa in the 1960s are palpably evoked, and the people Theroux meets there are conjured up with a lively combination of journalistic detail and Dickensian ardor.

As for Naipaul, he emerges in these earlier portions of "Shadow" as both an immensely difficult man—demanding, impatient and petty—and an immensely talented writer, dedicated to his craft and "passionate in his convictions." He strides through Karpala with "an inspector's gait," Theroux recalls, pronouncing, "We've done the park." "We've done the museum," he dismisses most of the whites he meets there as "infies"—that is, common, inferior sorts—and he grandly predicts that as

soon as these outsiders leave, the country "will go back to bush." He belittles the work of Orwell and Camus and mocks the literary efforts of local African writers.

Theroux repeatedly observes that his former friend felt a sense of exile, growing up an Indian in Trinidad and spending the rest of his life in England or on the road. But he gives only cursory attention to how Naipaul's early acquaintance with the margins of society left him with a profound sense of alienation and a defensive fear of "the bush," and he shrugs off any effort to understand how those emotions would shape his writing and adult life.

Worse, "Shadow" gradually devolves into an angry rant that drops all pretense of trying to create a fair or nuanced portrait. As the book progresses and Theroux becomes an established author, less accepting of his own self-appointed role as Naipaul's "spear carrier, flunky, gofer," it undergoes a change.

The descriptive richness of the earlier chapters falls away, replaced by an increasingly monotonous litany of Naipaul's supposed sins, from failing to pick up lunch and dinner checks to being a blatant hypocrite (i.e., denouncing England as second rate, then accepting a knighthood) to becoming a tedious writer.

During the early days of their friendship, Theroux regarded Naipaul as a mentor, a role model. Perhaps Theroux learned his lessons too well. In depicting his onetime friend as cold, mercenary and unforgiving, he has written a cold, mercenary and unforgiving book. This may start off as a memoir, but it ends up as an angry, prosecutorial indictment.

New York Times Service

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THE WORLD'S DAILY NEWSPAPER

## ADVERTISEMENT

## OPEN LETTER FROM DR. SLUCIS

The world believes that the modern day holocausts began and ended with the German Holocaust against the Jews which began in Germany in 1940.

However, in reality the holocausts began at least five years earlier and in Russia, not Germany. We can take as one example the fate of the 230,000 Latvians living in Russia at that time. In 1937 a secret directive was issued from Moscow: *latvisko jelo* (the Latvian matter). It ordered the killing of Latvians. In the next few months 73,000 Latvians, almost all the men over age 15, with some educated and activist women, were arrested and shot. On the arrest order was written: *pricina obvinenja-latvis* (reason for arrest - Latvian). That's all - Latvian. Three years later in Germany similar orders would say: reason for arrest - Jew.

Before the Latvian holocaust in Russia, there was the holocaust against the Ukrainians when in 1935/1936 creating artificial famine the Russians killed almost five million Ukrainians. In 1937-38 there were also holocausts against Estonians and Lithuanians living in Russia.

Altogether, from 1900 to 1940, the Russians killed tens of millions of people in the territory they controlled. And the world was silent. No criticism of Russia was heard anywhere. Since at that time Russia was the only power that Germany respected, and since Russia and Germany were signed allies, could the successful, uncriticized, unpunished Russian genocide against Latvians, Ukrainians, Estonians, Lithuanians have set an example and pointed the way for the German Holocaust against the Jews? If so, then woe to those who knew and remained silent.

In 1939 Germany and Russia signed the Ribbentrop-Molotov (Hitler-Stalin) pact which divided Eastern Europe between them. It gave Germany control from mid-Poland to the west and Russia from mid-Poland to the east. Latvia, Estonia, Lithuania fell under Russian control. Now nearly two million more Latvians, all that remained in the world, were at Russian "mercy." In the German controlled area began the Holocaust which eventually cost six million Jewish lives. In Latvia, over the next 10 years the Russians killed, deported and exiled the most able one third of the population (this in addition to the already killed 73,000 Latvians in Russia). The political, cultural, and moral leadership of Latvia was almost totally exterminated. Government officials down to village level, leading members of political parties, military and police officers, higher civil servants, school principals and teachers, judges, religious leaders, and scoutmasters were all gone together with hundreds of thousands of others. Russians did the same thing in Estonia, Lithuania, Chechnya and other smaller nations which were under their control.

Some people feel that sympathy is a finite commodity and that if there is sympathy for the other people who suffered in the Russian led holocausts, then it will take something away from the Jewish Holocaust sufferers. I don't think that this is so, and in fact, ignoring some evil and criticizing only selective evil is hypocritical, immoral, and wrong.

What is more important - the Holocaust and the German genocide against the Jewish people ended 53 years ago, but the Russian genocide against the Latvian people continues uninterrupted to this day.

In 1937-38 in Russia, the Russians didn't kill all of the Latvians, only the men, but since the women and children were not allowed to return to Latvia they were lost to Latvia. The effect was the same as the millennia-long barbarian practice of stealing women. During the unlawful occupation of Latvia, 1940-1991, the Russians did not kill all of the Latvians, only the most able one third. Then they sent in 200,000 soldiers and 1 million support personnel - civil occupants and colonists to slowly eliminate, suppress, russify the leaderless remaining 1.3 million Latvians. This was done by terror and fear, further deportations (1949), and destruction by force and intimidation of the Latvian culture and language = genocide.

In 1991 Latvia regained its independence and the Russian occupation should have ended. While most of the 200,000 soldiers did leave (some only took off their uniforms and became Russian agents or joined the Russian mafia), the 1 million illegal civil occupants remained. They should not have been in Latvia in the first place for it is against all international laws for an occupying power to send masses of civilians into occupied countries. The fact that Russia refuses to remove its civil occupants from Latvia proves that Russia plans to continue its program of elimination of Latvians and russification of Latvia. The Russian holocaust and genocide against the Latvians goes on. Again there is silence just like that other time at the end of the '30s.

Now that many organizations (Red Cross, European churches) and countries (Sweden, Switzerland, Vatican) are admitting their guilt and immorality in keeping silent during the Holocaust against the Jews, why is similar silence and even collaboration continuing in the case of the ongoing Russian holocausts and genocide in Latvia and Estonia? In place of sympathy, Latvians would settle for practical Western help in removing the nearly one million Russian colonists and civil occupants - the unfinished business of WW II. What Russia is doing in Latvia today is as if Germany had continued to kill Jews after 1945, or was trying to bring about the destruction of Jewish Israel. Who would stand for that? Then why is the world silent about similar Russian actions in Latvia? The repatriation of the 1 million Russian civil occupants is the moral and legal obligation of the Yalta and Ribbentrop-Molotov countries, i.e., Germany, USA, Britain, France, Russia.

The U.N. statement on colonialism states: "The colonial system causes conflicts and threatens world peace." Russia is the world's last and greatest colonial power. Today Russia is using its colonists to bring about a holocaust and genocide upon the Latvian people.

Russia - Stop the holocaust! Take back your colonists! Let my people live and breathe free!

Aivars Slucis, M.D.

## ADVERTISEMENT

## BEST SELLERS

The New York Times	
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on the list are not necessarily consecutive.	
FICTION	
1 RAINBOW SIX, by Tom Clancy	16
2 TELL ME YOUR DREAMS, by Sydney Sheldon	23
3 I KNOW THIS MUCH IS TRUE, by Wally Lamb	13
4 NO SAFE PLACE, by Richard North Patterson	53
5 THE LUMP, by Nicholas Evans	1
6 MEMOIRS OF A GESSHA, by Armitage Gilman	44
7 SINKER SISTER, by Jack Blum	17
8 THE FIRST EAGLE, by Tim Foltman	7
9 MESSAGE IN A BOTTLE, by Nicholas Sparks	23
10 POINT OF ORIGIN, by Pamela Cornwell	10
11 A NIGHT WITHOUT ARMOR, by Kikuchi	12
12 FIELD OF THIRTEEN, by David Frank Jones	1
13 BRIDGET JONES'S DIARY, by Helen Fielding	15
14 A WIDOW FOR ONE YEAR, by John Irving	20
15 KISS OF THE FUTURE, by Tandy Zahn	2
NONFICTION	
1 THE DAY DIANA DIED, by Christopher Anderson	5
2 TITANIC'S MARKIE, by Mich Simon	49
3 THE DEATH OF COURAGE, by William J. Bennett	3
4 A PIRATE LOOKS AT FIFTY, by Jimmy Buffet	15
5 THE TEN COMMANDMENTS, by Laura Schlusener and Stewart Vogel	1
6 A WALK IN THE WOODS, by Bill Bryson	16
7 ANGELA'S ASHES, by Frank McCourt	106
8 HIGH CRIMES AND MISDEMEANORS, by Ann H. Coulter	1
9 CONVERSATIONS WITH GOD, Book 1, by Neale Donald Walsch	93
10 HIS BRIGHT LIGHT, by Danielle Steel	1
11 THE MILLIONAIRE NEXT DOOR, by Thomas J. Stanley and William D. Danko	38
12 WE ARE OUR MOTHERS DAUGHTERS, by Celeste Roberts	21
13 THE GIFT OF THE JEWS, by Thomas Cahill	24
14 A MONK SWIMMING, by Malachy McCourt	15
15 THE ROARING 20s, by Henry S. Dent Jr.	13
ADVICE, HOW-TO AND MISCELLANEOUS	
1 THE 4 STEPS TO FINANCIAL FREEDOM, by Suze Orman	25
2 SUGAR BUSTERS, by H. Loughon Steward et al.	20
3 IN THE MEANTIME, by	15
4 ONE DAY MY SOUL JUST OPENED UP, by Lynda Van Zant	1



# BUILDING FOR GROWTH: HOUSING IN AFRICA

## A FUNCTIONING HOUSING MARKET WILL SPUR GROWTH

The opportunity to own a home is potentially the greatest mobilizer of household savings.

In this decade, the African continent has recorded the world's fastest population growth. A 1996 report by the United Nations Center for Human Settlements (Habitat) indicates that Africa's population will continue to grow at an annual rate of 2.73 percent to the year 2000, resulting in a doubling of the population (to more than 832 million) in just 25 years.

African urban centers are growing at an even faster rate (4.4 percent), according to the UN's Population Division.

The Urban Indicators Program of Habitat, based in Nairobi, reports that Arusha, Tanzania is growing at an annual rate of 9.5 percent, followed by Burkina Faso's Ouagadougou, at 9.4 percent. Other fast-growing African cities include Gaborone, Botswana (8.4 percent) and Nouakchott, Mauritania (8.0 percent). The figures are estimates for the period 1990-2000, based on data gathered from 1990-93.

**Demand for shelter and services keeps growing**  
Rapid urbanization, however, has not been matched by socioeconomic growth and its attendant benefits, such as serviced housing.

Says Klaus Töpfer, acting executive director of Habitat and director general of the United Nations Office in Nairobi: "One of the greatest challenges facing Africa is how to provide affordable housing, basic services and infrastructure to the continent's rapidly growing urban population."

Habitat's Urban Indicators show that African housing is grossly under-serviced. Only 37.5 percent of urban households are connected to water and 12.7 percent to sewage systems. Slightly more (42.4 percent) have access to electricity, while only 11.6 percent have access to a telephone.

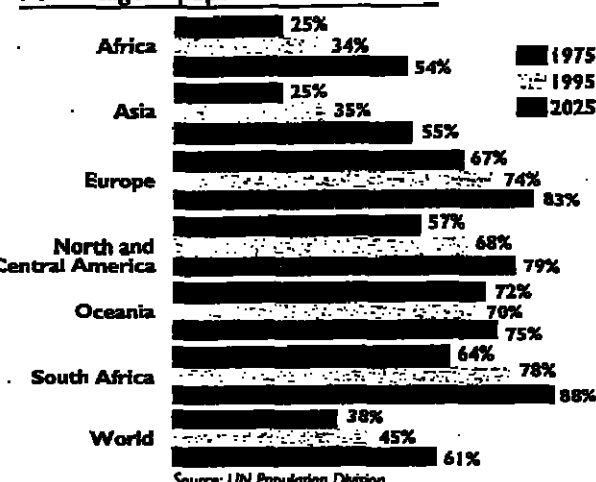
While such statistics paint a gloomy picture, they also indicate potential opportunity for filling the demand for the housing and services that are so lacking now.

"Africa," says Mark Hildebrand, Habitat's director for program coordination, "is the last investment frontier." In spite of uncertainties posed by its largely dysfunctional markets, investors are now increasingly looking to Africa's

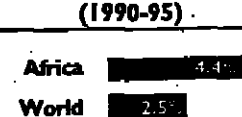
## Still Rural, but Urbanizing Quickly

Africa is the world's least urbanized, but most rapidly urbanizing, continent. A number of cities in Africa have population growth rates of higher than 7 percent. The population of a city growing at a 7 percent annual rate will double in 10 years. At a 9.5 percent rate, city population will double in 7-8 years.

Percentage of population that is urban



## Urban Growth Rate (1990-95)



City	Population Growth Rate
Arusha, Tanzania	9.5%
Ouagadougou, Burkina Faso	9.4%
Gaborone, Botswana	8.4%
Nouakchott, Mauritania	8.0%
Monrovia, Liberia	7.5%
Bobo-Dioulasso, Burkina Faso	7.1%
Bulawayo, Zimbabwe	7.0%
Maseru, Lesotho	7.0%

Source: UNCHS Urban Indicators Program (Data gathered 1990-93)

untapped business opportunities. Mr. Hildebrand points out that housing is an important stimulant for virtually all other sectors — building and construction, service provision and employment — but that many African governments see land as a lucrative tool for amassing wealth and political power. That must change if housing markets are to realize their potential for spurring economic growth.

"Contrary to popular belief," he says, "it is not government expenditures but government housing policies which most directly impact both the quantity and quality of housing that gets built, as well as housing prices. Policy and regulatory reforms can therefore serve to make housing more affordable to low-income groups, as well as have a significant impact on the national economy, since the opportunity to own a home is potentially the single most important mobilizer of household savings."

As a first step, land tenure should be regularized and land markets should be transparent in order to correct artificial scarcities and overpricing and to encourage participation of small stakeholders and private companies in housing development, he says.

By giving families the opportunity to build their own homes through security of tenure, appropriate standards and infrastructure improvements, governments can mobilize both domestic savings and popular support, which would far outweigh the benefits of using land for political patronage.

"The problem in Africa is not just about costly building materials or a lack of resources," Mr. Hildebrand says. "With a title deed, any family will save to build itself a proper house, not a shack."

## Upgrading slums

Informal settlements are another major challenge for African governments. In Kigali, Rwanda, for example, 80 percent of the population lives in such settlements, which are an inevitable part of the African urban landscape.

African governments should prioritize the upgrading of

the so-called slums, rather than flattening them, says Elijah Agevi, coordinator of Shelter Forum, a consortium of non-governmental housing organizations, part of the Intermediate Technology Development Group, which specializes in technology transfer.

To ensure that upgrades succeed, governments must "re-examine building by-laws, regulations and standards to incorporate indigenous materials," he says.

Daniel Biau, senior executive coordinator, Habitat, concurs on the need for regularization of informal settlements, particularly for the unregulated but rapidly expanding rental sector in African towns.

The high price of housing, he says, has forced many Africans to abandon dreams of ever owning homes. It takes seven years' income for a Kenyan to buy an average house.

## Involving the private sector

"Most African governments lack a policy to support the rental sector, putting most of their resources into middle-class home ownership," Mr. Biau says. He argues for a shift in public housing subsidies toward providing incentives to private-sector investors willing to develop low-cost housing.

The middle and upper echelons of housing development should be left to the commercial sector. "Rental housing and provision of water, electricity and telephones present a big investment opportunity in Africa because people are ready to pay for them," says Mr. Biau.

He says, however, that some governments, as in Egypt and elsewhere, have discouraged private sector participation in the housing sector by excessive rent control.

"African governments," Mr. Töpfer says, "must look into ways of creating enabling environments for public-private partnerships to increase investment in shelter. Laws and regulations on access to land and credit should be reviewed, and informal settlement should be regularized."

Catherine Mgendi

## A NEW CONCEPT OF OWNERSHIP

Communal tenure may be a solution to the problem of tenancy rights.

Africa requires 46.9 million units of housing stock in order to provide adequate shelter for its six-member households, according to a report by the United Nations Economic Commission for Africa and Shelter Afrique.

Urban housing stock is growing by 7.5 households for every 1,000 people each year, but the supply is outstripped by ever-growing demand, forcing housing prices beyond the reach of most incomes. The cost of a modest house is about seven times the average annual income, and rent accounts for a quarter of income. Lack of affordable housing in cities has forced half of Africa's urban residents into slums.

Residents of informal settlements are increasingly forming community-based organizations to undertake service provision. The groups solicit donor funding to dig bore holes and install water pumps, for example. They also raise funds among themselves to install water connections at central points or kiosks from which residents can purchase water.

In Voi, Kenya, the urban poor have innovatively circumvented the lengthy, tedious and bureaucratic process of acquiring individual title deeds by successfully seeking communal tenure.

Rather than each member of the community seeking individual titles, the community got together and petitioned the government to issue them a communal title, and thus guaranteed security of tenure for the land they had been living on for years.

It worked, much faster than the alternative approach. The security of the

arrangement has since given the households in the community the confidence to undertake, systematically if slowly, construction of permanent homes.

Local housing experts say this kind of tenure has other advantages. Because of the established mechanism of ownership, it is less likely that this poor community will be pressured to sell, as often happens. Such a decision is vested in the entire community.

If any household is determined to sell, they are obliged to sell to the community, which can then incorporate new needy households. Communal land ownership for the Voi community also means a shared responsibility and therefore a less costly financial burden on individual families in developing infrastructure and providing basic services.

There are drawbacks to this new land ownership concept, cautions Elijah Agevi, coordinator of Shelter Forum, under which the Voi initiative was undertaken. Communities are likely to encounter problems when seeking credit, which is presently given on the strength of individual title deeds.

In Nakuru, Kenya, communities are working with municipal officials to simplify house approval, an expensive and cumbersome process.

The initiative was inspired by experience drawn from a housing estate in Nairobi's Kileleshwa area, initially intended for low-income families. A 14-month delay in approving the project caused a 100 percent increase in their costs, and today the estate's residents are middle-income earners.

C.M.

## Southern Africa Trade & Investment Summit

Cape Town, December 1-2, 1998

The International Herald Tribune is convening its fourth annual Southern Africa Trade & Investment Summit in December.

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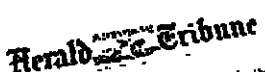
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THE WORLD'S DAILY NEWSPAPER

## CHANGES IN LAND LAW HELP URBAN DEVELOPMENT

Reforms in Uganda and Tanzania bring hope of increased security of tenancy.

Ongoing attempts to rationalize the land laws of Tanzania and Uganda bring some hope that millions of urban dwellers in these countries can gain more security of tenancy or home ownership. This should eventually open up the possibility of better service provision, improvements to living conditions and more widespread home ownership.

Law reform in itself can be only a partial answer — especially in an environment where few people have recourse to the legal system to establish their status, whether as tenants or homeowners.

Both these East African countries also need to develop a framework of financial and other services dedicated to the development of better housing across the board. At present, such facilities are available only at the top end of the market and have little relevance for most inhabitants of the more densely populated cities.

## Without legal status

A change in the law can nevertheless have some far-reaching consequences. Dar es Salaam, for example, is home to about 3 million people, of whom it is estimated that 70 percent are currently without formal legal status, even if they pay rent on a regular basis or have built their homes themselves.

Until the law is brought into line with reality, the status of most citizens in Dar es Salaam is technically that of squatters, vulnerable to the whims of landlords and government agencies. Regularizing the status of Tanzania's city dwellers is one of several important changes to the country's land laws likely to be considered by the country's Parliament in the coming weeks.

The new law is expected to fall in line with the 1995 national land policy adopted by President Benjamin Mkapa's government, which promised to recognize squatters' rights and to upgrade squatter areas.

Those currently deemed to be "squatters" hope to be granted new rights of occupancy on 99-year leases. But even with more-secure tenancies and leases, much remains to be done to bring better services to Dar es Salaam's large metropolitan area.

Only 37 percent of homes have electricity, and houses are more likely to have a telephone than running water. Such has been the rate of growth of the city in recent years that 40 percent of homes do not have access to clean drinking water.

Many Dar es Salaam residents live more like rural villagers, and no less than 524 square kilometers (200 square miles) of the city's land area of 1,393 square kilometers is

## Access and Affordability

Urban households in Africa need to save about 7 percent of income to buy a house, or spend a quarter of monthly income on rent. What kind of shelter does this buy? Only 60 percent is considered durable, and 49 percent is not in compliance with land and building regulations.



devoted to agricultural production, a very high percentage by African standards.

The new land law alone, however, will not protect residents from powerful planning pressure to change current patterns of land use or to redevelop large areas of Dar es Salaam.

## Needed: accountability for planners

One of the government's land-law advisors, Patrick McAuslan, a professor at Birkbeck College in London, says that Tanzania's existing urban planning laws, inherited from the 1950s, are also in urgent need of revision to make the activities of government planners and real estate developers more accountable.

In Uganda, where there is less urban population pressure than in Tanzania, the security of tenants and home owners has already been enhanced by Parliament's recent passage of a new land act. Although the act drew much criticism for its apparent facilitation of land consolidation and mechanized agriculture by foreign investors, it does provide better security for those deemed "tenants at will," many of them in urban areas.

Most of the housing market in Uganda's capital, Kampala, is in private hands, and since the national economy began its strong recovery five years ago, much investment has gone into improving the city's housing stock. Electricity is installed in 41 percent of homes, and there is running water in 30 percent, while regular drinking water is available to 87 percent.

The land law alone will not necessarily favor the 50 percent of the Kampala's population who are not home owners. Rapid increases in land values have put pressure on the cost of rent and services. Other legislation may have to be revised to ensure that the needs of the poorer inhabitants are not ignored as the Ugandan economy continues to grow.

"As centers of economic activities, cities will need to efficiently provide infrastructure and services for all segments of the population, the bulk of whom tend to be low-income and poor," says Alioune Badiane, who heads the regional office for Africa of the UN Center for Human Settlement's Urban Management Program.

Richard Syge

## CITIES ARE WEALTH GENERATORS

A new measure of the economic product of cities shows that their capacity for creating wealth is greater than that of their national economies.

The City Product measure, developed by Habitat, can best be described as the "gross national product" of cities, according to Christine Auclair, an adviser

to the Urban Indicators Program. Ms. Auclair says the measure shows that cities, African ones included, are on average 10 percent more productive than their national economies.

In Africa, cities generate 29 percent more wealth than their national economies. In sub-Saharan Africa, average

City Product was \$683, while the GNP was \$555 in 1993.

Harare's product per capita was found to be \$2,370, compared to Zimbabwe's GNP of \$520. Nairobi's was \$744, with Kenya's GNP at \$270, and Kampala's was \$430, compared to a \$180 GNP for Uganda.

C.M.



## BUILDING FOR GROWTH: HOUSING IN AFRICA

### CLEANING UP THE KORLE LAGOON

Consultation with residents is key for the Accra Sustainable Program.

The sprawling city of Accra, Ghana's administrative and commercial center, has a population of 1.8 million engaged in a mixture of activities ranging from construction and manufacturing to real estate and insurance that together contribute 15 percent to 20 percent of Ghana's gross domestic product. The city's rapidly growing population is young — 41.5 percent were under the age of 15 in 1990.

#### Growth pressure

Accra's population and spatial growth are contributing to its environmental problems as people spill over into areas unable to withstand the sheer scale of their demand. This means that a large number of Accra's people live in high-density neighborhoods in poor-quality housing, characterized by an absence of, or inadequate, sanitation and other municipal services. In addition to having to live with man-made hazards — including the results of poor management of refuse and human-waste disposal, noise pollution and deforestation — residents have to contend with natural hazards such as earthquakes, erosion, flooding and soil instability. Ways to ease or solve the problems are always being sought.

The Accra Sustainable Program was introduced to Ghana in 1994 in an agreement between the government of Ghana and the Sustainable Cities Program to improve the way local authorities and municipalities deal with environmental planning and management. Sustainable Cities is a joint program of the United Nations Center for Human Settlements (Habitat) and the

UN Environment Program. The initial focus has been on a range of issues involving sanitation and the degradation of Korle Lagoon. The Ministry of Local Government and Rural Development and the Accra Metropolitan Assembly (AMA) will be the main bodies implementing the plan.

Accra has seen many attempts at reconciling socio-economic development and environmental issues. What makes the Accra Sustainable Program different from preceding projects is the depth of consultation in the initial stages and the use of consultation as an integral part of the implementation process throughout the project.

#### Sizing up the problem

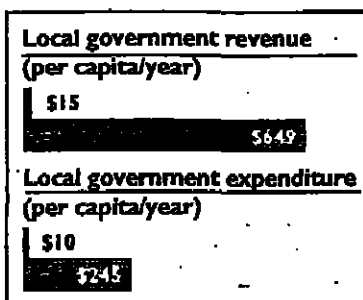
Urban environmental issues were identified and prioritized in a city consultation held in Accra in May 1995. The more than 150 participants were from Parliament, central and metropolitan government, traditional authorities, nongovernmental organizations, academic institutions, international agencies and the private sector, including women who sell their goods in local markets.

An important element of the project is broad-based working groups seeking strategies to solve the most pressing issues, such as sanitation (solid and liquid waste management), flooding and drainage, and the degradation of the lagoon.

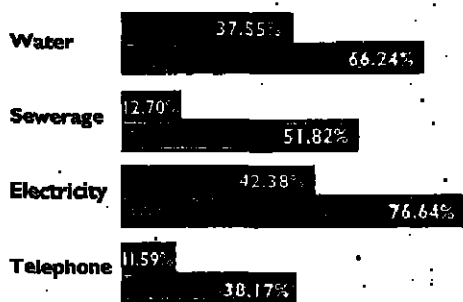
A squatter camp known as Sodom and Gomorrah, located on the edge of Korle Lagoon, has "possibly the most precarious living conditions in Accra," said Ben Kofi Doe, project manager of the Accra Sustainable Program, in a recent report. Between 15,000 and 20,000 people

### City Budgets and Access to Utilities

The level of local government revenue per capita, and therefore capital expenditure, is very low in Africa. The result is poor access to utility services.



#### Urban household connection level



Source: UNCHS Urban Indicators Program (Data gathered 1990-93)

live in the camp in unventilated wooden shacks without access to emergency or waste-disposal vehicles.

The paths between the dwellings flood in the rainy season and are filled with stagnant water. "There are no drains," the report says. "Waste reaching the Korle Lagoon from upstream accumulates alongside and within the community. Health conditions are compounded by the fact that the whole population is situated on an AMA waste site, on the banks of a polluted lagoon."

The settler camp has mushroomed as people seeking economic opportunities move there. The report continues: "Other activities are being encouraged to relocate from other places to the area. Examples are the onion and plantain sellers, sack sellers, etc. In addition to this, construction work in cement blocks is taking place in the areas along the main street leading to Agbogboshie (the main market)."

The lagoon is a main runoff receptacle for many of the city's large drains carrying industrial and domestic waste. Despite being fully dredged in the early 1960s and partially dredged in the mid-1970s to allow for a greater volume of floodwater, pollution has continued to increase in and around the lagoon.

The increased pollution is

directly attributable to the squatter settlements, an increase in commercial activity on the edge of the lagoon and a basic lack of adequate utilities servicing the needs of the population.

#### Involving the community

It is hoped that once these seemingly intractable problems are solved and the lagoon is cleaned up, its waters will become a source of clean water and an environmental recreational area.

The report states that since the project is at an early stage, few lessons can be drawn

from it, but two factors clearly stand out. First, the success of the city consultation has been attributed to the strong desire of stakeholders to improve Accra's environment. Second, using the main language, Ga, alongside the national language, English, considerably improved understanding and helped in the formation of a consensus.

The report points out that in addition to involving the beneficiaries at an early stage and coordinating all involved parties, funding needs to be found for "every aspect of the projects." Jane Borges

### A PARTNERSHIP TO BUILD LOW-INCOME HOUSING

In Ghana, the government is acting as a facilitator for the private sector.

While the Economic Recovery Program introduced in Ghana in 1983 to liberalize the economy led to greater private sector involvement in housing provision, housing in urban areas remained expensive and out of reach for most people, until a government-initiated pilot scheme began to provide affordable housing in low-income areas.

Begun in 1993, the scheme involves collaboration between the Social Security and National Insurance Trust (SSNIT), the Ghana Real Estate Developers Association (GREDA), the Home Finance Co. Ltd. and commercial banks such as the Bank for Housing and Construction.

Until the late 1980s, the government favored an interventionist approach to the production and supply of housing. But in the current scheme, the government acts as a facilitator for the private sector, making available mortgage finance, serviced land (with electricity, roads, water and telephone access), construction finance for developers, as well as locally produced building materials.

The government also provides infrastructure such as access roads, urban markets and drainage systems.

Under the initiative, private real estate developers have been organized under the umbrella of GREDA. The government assists GREDA in acquiring credit, serviced land and local building materials.

The government, the World Bank, Merchant Bank (Gh) Ltd. and SSNIT set up the Home Finance Co. (in which SSNIT has a 17.92 percent interest) for the purpose of raising capital for organizations and individuals to develop a range of housing units. SSNIT, using index-linked bonds, channels funds to the Home Finance Co.

SSNIT acquires land from the government Lands Commission and puts the infrastructure in place before passing the lands on to GREDA and to other organizations and individuals to build housing units.

Commercial banks, such as the Bank for Housing and Construction (in which SSNIT has a 10 percent interest), furnish GREDA members with construction finance, and once completed, the properties are then purchased by the Home Finance Co. for mortgages.

Part of the government policy provides for increasing financial support from low-income households, through their savings, for the financing of housing units. J.B.

### 'SAFER CITIES' IS FOCUS OF WORLD HABITAT DAY

Governments, community organizations and individuals around the world will mark World Habitat Day 1998 on Oct. 5 with a variety of national and community-level events focusing on this year's theme, "Safer Cities." The Municipality of Dubai, United Arab Emirates, will host the major World Habitat Day celebration.

The "Safer Cities" theme is a reflection of the growing concern about escalating urban violence, crime and insecurity among citizens around the globe and a call to action by governments, communities and individuals to make their environment safer and more livable. Every five years, 60 percent of the world's urban population becomes a victim of crime at least once.

Says Klaus Töpfer, acting executive director of the United Nations Center for Human Settlements (Habitat): "Deteriorating urban environments

where the urban poor are deprived of basic services and security of tenure leads to social frustration, which can lead to a culture of violence. Measures that protect urban communities from deprivation, unemployment, homelessness, illiteracy, injustice and social disintegration will ultimately also protect them from crime and violence."

World Habitat Day also gives the community of states the chance to share not only experiences from their successful initiatives but also the problems they have encountered in trying to provide adequate shelter and basic services to all during the year. On Oct. 5, successful initiatives will be recognized by the Habitat Scroll of Honor Awards and the Dubai International Award for Best Practices in Improving the Living Environment. The Dubai award for best practices includes a \$30,000 prize.

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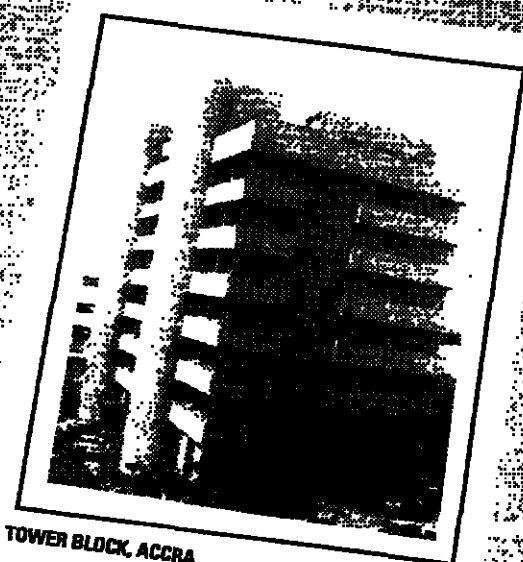
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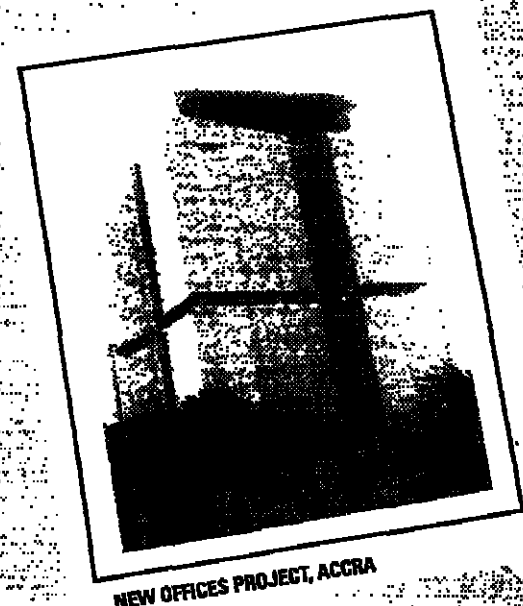
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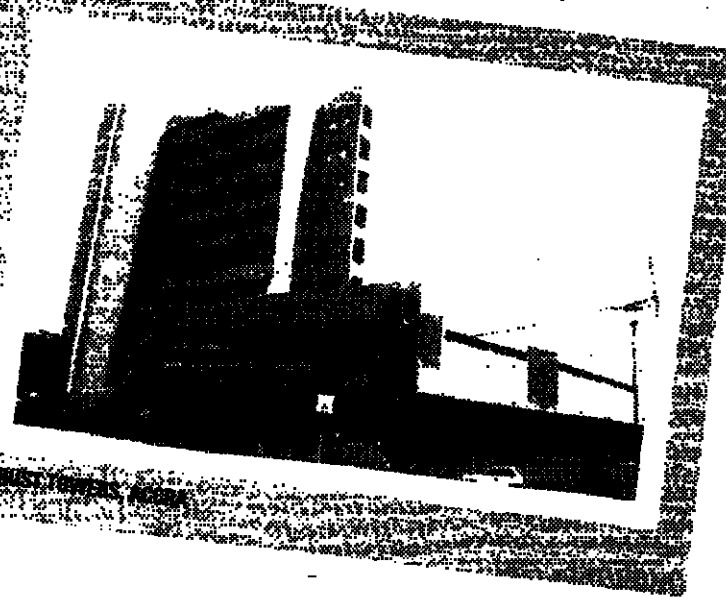
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Ballet in China offers the visual excitement of Chinese opera without its esoteric codes and rituals.

## Passion Drives Ballet in China

By Alison Dakota Gee

**H**ONG KONG — At a time when most of the performing arts in China are suffering from shrinking audiences and a serious lack of financing, one has experienced a revival of national passion.

When the National Ballet of China opened a weeklong run in Hong Kong recently, its six performances were sold out for weeks, and a buzzing audience crowded the massive Cultural Center's Grand Theatre to see the company perform its classic "The Red Detachment of Women."

This is China's own particular — some say peculiar — brand of ballet, a Western art form that the country has claimed and adapted as its own. In a marriage of Cultural Revolution principles and pirouettes, the 150-minute "Red Detachment" tells the story of a peasant girl who rises from slavery to join a crusading, all-female battalion of Red Guards to defeat the evil landowner who once enslaved her.

Ballet in China is a window to the West, while offering the visual excitement of contemporary Chinese opera (which includes astonishing displays of Chinese acrobatics) without its esoteric codes and rituals.

A key to Chinese ballet's growing popularity is its interest in telling homegrown stories. Now 72 dancers strong, the National Ballet has earned

renewed for its inventive original repertoire of several Chinese ballets, including "Maid of the Sea," and it has become a sort of traveling sociology, a dance form that offers insight into the mores and ideology of the culture and the times in which they were created.

Ballet has had a passionate 45-year history in China. The Beijing Dance Academy, the first to include ballet instruction, was founded in 1954. The National Ballet followed in 1959, supported by a most illustrious patron, Prime Minister Zhou En Lai. "The company was very important to Mr. Zhou — he even knew every dancer's name," said Zhao Ruheng, one of the troupe's first soloists and now its director.

In the 1950s, when Chinese-Soviet relations were at their closest, such ballet masters as Pyotr Gusev came to China to establish and run the academy. The ballet masters drafted students from all over the country, using strict Russian guidelines to determine which children were suitable for the school. The dancers not only learned ballet; they also had to master martial arts, folk and classic dance — all of which were incorporated into the special breed of Chinese dancing.

During the Cultural Revolution, the company fell on hard times. Some dancers were marched off to remote farmlands and forced labor. Others were

zealous patronage of Jiang Qing, Mao Zedong's wife, and the troupe's commitment to telling stories that touched the heart of their audiences.

For the National Ballet of China, understanding the texture and strife of ordinary comrade life proved vitally important. To develop an authentic story line for the military-themed "Red Detachment," the company went so far as to live with a battalion of female soldiers, staying in their barracks for a week, exchanging their ballet shoes and leotards for army boots and fatigues, and following their routines exactly.

**Z**HAO recalls: "If the soldiers had to get up at midnight and fire rifles, we had to do the same." For the short ballet piece, "Factory Worker," the dancers went to a sewing workshop. They not only learned to stitch clothing, they said, but also came to understand the dreams, hopes and fears of factory women.

Today, the Beijing-based company tours the major cities and the remote provinces of China. Performances, often attended by entire families, are mostly sold out. "Chinese ballet is unique because we use our own Chinese thinking to give the audience something special," Zhao says smiling. "Our country is now rising in the world, and our ballet company would like to go with it."

Alison Dakota Gee is a journalist based in Hong Kong.

## Kidman and the Classic

No Breathing Space in Hare's Update of 'La Ronde'

By Sheridan Morley  
International Herald Tribune

**L**ONDON — I have somehow failed to catch the Nicole Kidman fever. In the first place, as she was a talented and hardworking Australian stage actress long before she married Tom Cruise or made Hollywood movies, it seems curiously patronizing to express amazement that she can skip lightly through the half-dozen sketchy playlets to which David Hare has reduced Arthur Schnitzler's "Reigen," better known to us as "La Ronde," in "The Blue Room" (Donmar Warehouse).

Her achievement in doing this can scarcely be compared to the much greater risks successfully run by such other Hollywood stars who have lately turned up in London as Kevin Spacey in "The Iceman Cometh," or even Juliette Binoche in a long-lost Pirandello. Written at the end of the last century, "La Ronde" has never been lost, and in his update Hare has, presumably intentionally, abandoned one of its greatest strengths.

What links the short black-out scenes in the Schnitzler original is that, as we follow 10 social-stereotype characters through two sexual encounters each, they are passing venereal disease on to each. If that now seems somewhat dated, surely AIDS would have been an almost exact contemporary parallel.

But Hare doesn't bother with any of Schnitzler's subtext, despite the fact that it has hitherto been the most interesting thing about "La Ronde," and was presumably the reason why it had to wait 20 years for a public performance. Instead, he contents himself with some very minimalist sketches, stripped of any supporting characters; in 90 no-interval minutes we get Kidman and her widely overlooked



Nicole Kidman in David Hare's "The Blue Room."

but rather better co-star, Iain Glen, quick-changing into cab drivers, playwrights, aristocrats, call girls, models, actresses and housewives in what are rather repetitive brief encounters, not so much a battle of the sexes as desperately inconclusive skirmishes.

Kidman is not as interesting in these roles as would have been an actress like Felicity Kendal or Jane Asher, though in all fairness to her, the sketches allow no real plot or character development; Hare simply hasn't given them space or time to breathe, and as a result we have lost any sense of the original sexual carousel. Less is not more, despite some valiant attempts by the director, Sam

Mendes, to make us believe that every time they start a sketch the rabbit may finally be about to emerge from the hat. It never does.

At a time when Terry Johnson is regularly reminding us in such plays as "Dead Funny" and his current "Cleo, Camp, Emmanuelle and Dick" that virtually all star British comedies of the 1960s came to lonely ends, it is good to report that Ronnie Barker remains happily hale and hearty, having abruptly retired a decade or so ago at the height of his fame. In a remarkable act of futility, he has now written his actress daughter Charlotte a play, "Mum" (at the King's Head), which turns out rather to be a 90-minute monologue, occasionally and somewhat pointlessly interrupted by the ghosts of her dead father and boyfriend, while her equally dead mother remains an unseen but handy stage-audience presence in an armchair.

Unfortunately Barker's considerable talents as a television sketch writer do not survive over the long haul on stage; nothing very much happens in act one or two, and then there is a sudden avalanche of plot in the last five minutes.

Better news at the Tricycle, where Roy Williams' "Starstruck" is that old favorite, the one about leaving a distant home for the bright lights of the big city. In this case, home is Jamaica in the 1970s, at a moment when Stewart Granger supposedly descends on a remote community and persuades a likely lad that there might be a world elsewhere. As usual the visitors return home and the local community remains, well, local, but Williams' considerable achievement here has been to build us a family we can really care about, from the ancient car-repairing father to the con man son, Martin Cole and Eddie Nestor star in a sun-and-shadow production of elegiac intensity by Indhu Rubasingham.

## LONDON FASHION

### After the Storm, Geometric Calm

By Suzy Menkes  
International Herald Tribune

**L**ONDON — Between straight geometric lines — vertical, horizontal and diagonal — British fashion has reached its zen. Whereas the city used to be known only for wild exuberance, some of the most striking shows now exude a fashion calm.

No one does graphic modernism better than Hussein Chalayan. His spring-summer show hit perfect pitch — not least with his choral singers, whose echo-chamber sounds were a counterpoint to the linear, monochromatic clothes.

Through the white studio walked models whose clothes were black, white or gray, with each outfit like a positive/negative version of the other. So a simple dress, sculpted out of crepe, would have a collar curling to the left. Its mirror image would then appear, curving to the right. Here a narrow line of sheer fabric bisecting the front; there the same effect, slicing through the back.

To emphasize the visual symmetry, cuboid or spherical Perspex headgear appeared above dresses with abstract blocks of pinstripes.

Tricksy? No, the effect of this poetic geometry was the opposite, for Chalayan used his exceptional cutting skills to make the complex seem spare and simple — even when a concertina of gauzy white fabric was unfurling at the front.

His finest achievement was to make the clothes at the same time avant garde and accessible. Using basic modern shapes — tunics with pants or knee-length dresses and skirts — the designer even gave his modernist touch to denim,

using stitches as patterns of broken lines, while necklines were drawn with a compass and cut scalpel-sharp. Such artistic sensibility and fashion maturity at only 28 is giving Chalayan international designer status.

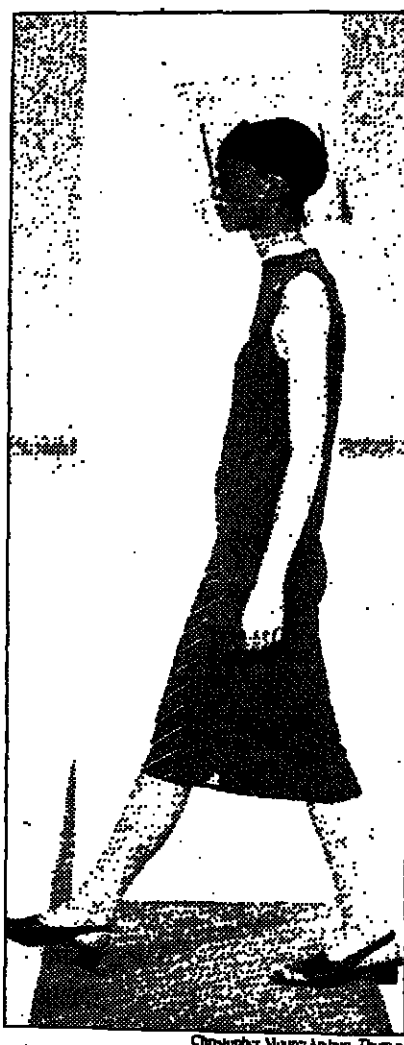
Could you imagine two more polar opposites than disco and zen? Well, Matthew Williamson stitched them together for his show. But the resulting dresses, short and sassy but printed with graceful Japanese designs, didn't really capture the best of both worlds.

You can see the idea on paper. Make that rice paper. Cherry blossom embroidery would trace the bodice of a simple dress; or pleats, printed à la Japonaise, would fan out from the sleeves of a crisp piqué suit. Some outfits were even made of a papery material that made a dress or strapless top look like an Oriental screen.

The clothes were fresh, young and pretty, if familiar. But the two opposing themes just seemed contrived.

The four-strong, all-woman design team at Jean Muir is doing a good job of keeping alive the spirit of the late designer and her vision of quiet clothes, precisely tailored in soft fabrics.

They look just right for right now: a pristine white crepe dress, paneled to skim the body; a cerulean blue coat free of fastenings; a square-sleeved kimono cardigan; the signature Muir navy silk jersey as tunic and pants. Add a fine sensibility for color, so that asbisthe was mixed with lavender. The collection was limited only by its timid choice of fabrics when there are so many innovative possibilities. They will be explored as the fashion crowd moves from London to the Premiere Vision fabric fair in Paris.



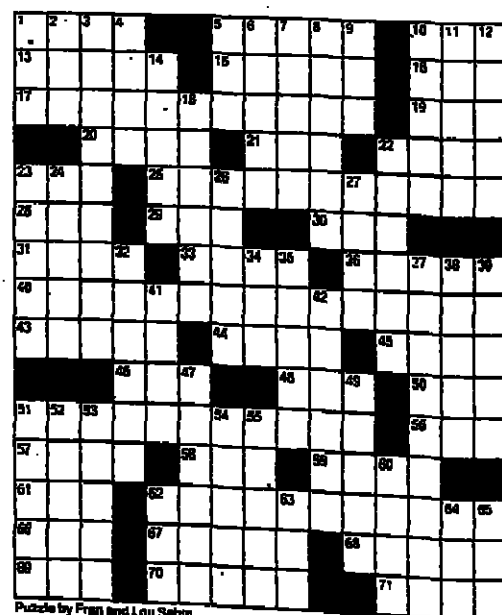
Chalayan's pin-striped dress.

## CROSSWORD

**ACROSS**  
1 Difficult position  
5 Narc's find  
10 Struck performance  
13 Bar order, with "the"  
15 Conductor Sir Georg  
16 Dug in  
17 Sugary drink?  
19 Oater affirmative  
20 Rachel's sister  
21 Elephant's tail?  
22 A few  
23 Sheepish remark?  
25 Browny?  
26 Org. that does investigations  
28 — Cat (winter vehicle)  
30 Not look too lively  
31 Paw  
32 Dis' partners  
36 With 22-Down, cautious statement  
40 This puzzle's theme song?  
43 Vintage tune  
44 "Amrscray!"  
45 Blowgun ammo  
46 Blowgun ammo

**DOWN**  
1 Hero  
2 Telepathy and such  
3 Beat in a dance marathon  
4 1991 film "Little Man"  
5 Rat bre sound  
6 Namely  
7 Coeur d' —  
8 Sounds of indecision  
9 — Juice (milk)  
11 Heavy drinker?  
12 B and B  
17 Fab Four film of '66  
18 Calendar abbr.  
19 Palindromic time  
21 "Marrow" barkone  
22 Bottles-only drinker?  
26 Gun  
27 Let up  
28 Minimum wage makers, maybe  
29 Devon river  
30 Mike of "Wayne's World"  
31 A.P.O. addresses  
33 Pokes drive them  
34 Triple, say  
35 Louisiana festival  
37 Knickknacks  
38 Dakota lodging  
39 Jett's, e.g.  
40 Name in a #1 Beach Boys song  
41 Hardly an intellectual  
42 Sharon of Israel  
43 Has a good, hard laugh  
44 Padlock's partner  
45 Cause to stir  
46 Initials for a prince  
48 Asian capital  
49 Tropical waters  
50 Tire center  
51 Incommute  
52 Borscht base  
53 Loch  
54 Free-for-all  
55 Eagle's descent  
56 Cut  
57 E-mail forerunner  
58 Gremlin  
59 Collocate  
60 Career officer  
61 Lync poems  
62 Brooklynese pronoun  
63 State accompanying F.G.'s  
64 A Siamese twin  
65 Alphabet trio

**Solution to Puzzle of Sept. 29**  
BEAM MTG REDATE  
ABBA TWO ERICHS  
JACKAROO MADEN  
ANDORRA CATSEVE  
COCKATOO  
MSG ARTIST ALB  
ACHED PEEKABOO  
CRANIA DIALIN  
KANGAROO NAUUR  
SPA TARIFF EES  
BUCKAROO  
TOTALLY ARLBERG  
AFRICA KICKAPOO  
GLAZES ALD LINA  
SLAYERS LSD TICED



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## The Met Opera Seeks Benefactors

By Ralph Blumenthal  
New York Times Service

**N**EW YORK — With 26 donors already giving or pledging at least \$1 million each, and one as much as \$25 million, the Metropolitan Opera has opened its largest endowment campaign ever, aimed at more than doubling its nest egg to \$400 million over the next three seasons.

Half of the \$200 million goal has already been raised or promised, said James Kinnear, chairman of the Met board and the campaign. Kinnear is also a former president of Texaco Inc., which has pledged \$10 million.

The announcement of the fund-raising drive was keyed to a gala dinner Monday night after the season-opening production of "Samson et Dalila."

"I'm going to be seeing each and every one of you," Kinnear, interviewed before the dinner, said he wanted to tell benefactors, who already give \$65 million a year to close the gap between operating expenses of \$165 million and ticket sales and other revenue of about \$100 million. "You don't get this kind of money a dollar at a time."

By almost any measure, the 115-year-old company is in enviable artistic and financial shape, selling 92 percent of its seats on average and renewing a record 88 percent of annual subscriptions at a difficult time for many companies in the arts. But with the present endowment of \$171 million, barely equal to a year's expenses, "there is tremendous pressure on annual fund-raising," said Joseph Volpe, the Met's general manager.

The larger endowment, he said, would yield greater interest income to stabilize ticket prices, help cushion the Met against economic downturns and provide the financial security to continue the company's broadcasts, tours, free outdoor concerts and youth programs. The money would mean "even greater successes to share with our public," Volpe said.

The largest gift so far is coming from Alberto Vilar, an investor in computer and medical technology who grew up in Cuba and Puerto Rico and has quietly become one of the most generous benefactors in the Met's history.

**V**ILAR, founder, president and portfolio manager of Amerindo Investment Advisers Inc., is committed to giving the endowment \$20 million over five years plus another \$5 million in challenge grants that match contributions by others. In response, the Met has renamed the concert hall's grand-tier level for him. Vilar is a member of the Met's managing board and a vice chairman of the endowment campaign.

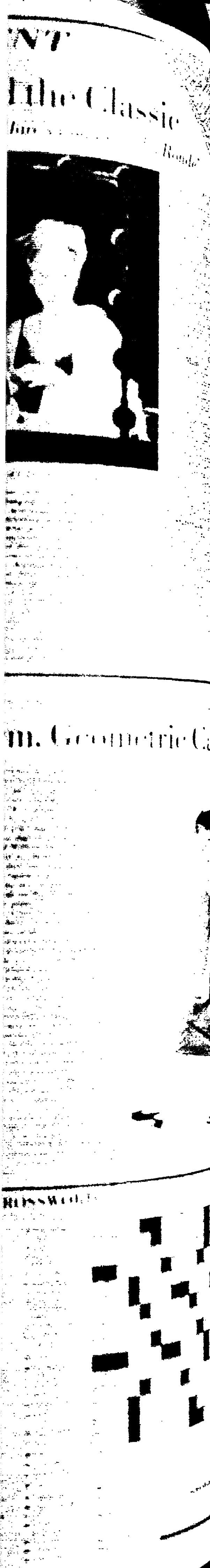
"I love opera," he said recently in an interview in his firm's conference room.

Vilar's past gifts and future commitments to the Met amount to nearly \$40 million, putting him in the league of Sybil Harrington, the Texas oil heiress and philanthropist regarded as the Met's greatest individual donor, who died this month in Phoenix at 89. Beginning in the 1970s, she gave more than \$30 million, including a \$20 million gift to the last endowment campaign in 1980, which had a goal of \$100 million.

Other significant donors have been Abby Aldrich Rockefeller, the wife of John D. Rockefeller Jr.; J. William Fisher, through his Granma Fisher Foundation; Lila Acheson Wallace, and Francis Goeltz, who died this year and left the Met a bequest yet to be evaluated.

Part of the \$10 million gift from Texaco will support a new city school program that exposes children to opera and uses music to help develop educational skills. Texaco is the Met's most identifiable backer, having sponsored nearly 59 years of Saturday afternoon radio broadcasts for about \$150 million.





# A Chill in China: Beijing Slows Down Campaign to Open Markets

**By Seth Faison**  
*New York Times Service*

**SHANGHAI** — China's leaders have slipped into a defensive posture on a range of finance and trade issues, apparently worried that efforts from Asia's financial crisis will eventually swamp their own economy.

A series of recent moves by Chinese authorities — price controls, currency restrictions, limits on company sales — seem to reflect a broad slowdown in the nation's efforts to shift from a planned to a market economy.

Economists and business executives agree that the measures are likely to further deter trade and investment here in the immediate future.

On Tuesday, China's central bank announced new restrictions on foreign-exchange transactions to try to control the flow of hard currency out of China.

Billed as a crackdown on illegal transactions, the moves will effectively make it more difficult for domestic and international companies to move money in and out of China.

"This is hardly what you expect from a country that says it is trying to reform and open," a German executive with long experience in China said. "Maybe they are wondering how much they really want to integrate with the world economy."

Officials in Beijing say Chinese companies are improperly moving dollars overseas, presumably in fear of a possible devaluation of the nation's currency. Although China's foreign-exchange reserves are still strong, at \$140 billion, they have remained largely unchanged this year while China has run up a trade surplus of more than \$30 billion and absorbed \$27 billion in new foreign investment.

Wu Xiaoling, director-general of the State Administration of Foreign Exchange, said billions of dollars had been sent overseas improperly this year and said new restrictions were necessary to stop it. "Such a disorderly capital flow is destructive to China," she said.

In addition, she said a new crackdown required Chinese companies to bring back any illegal foreign-currency deposits being held overseas by Thursday or risk severe punishment.

Because there are no accurate statistics on how much money Chinese companies hold overseas, it may be difficult to gauge the success of Beijing's efforts, as it will be for Beijing to track down its companies' foreign-currency holdings in the first place.

Chinese officials have repeatedly promised not to devalue its currency, the yuan. But the new measures reflect the alarm that so many Chinese companies

are hedging their bets anyway.

Separately, Chinese authorities announced new price controls on a range of industries including cars, steel, chemicals and sugar.

State media said the State Economic and Trade Commission would issue "guidance prices" for all major auto-makers, which have been suffering in recent months from falling demand.

The authorities appear to be trying to protect Chinese companies that are suddenly competing with low-cost imports from neighboring countries where currencies have been devalued. Whether or not these steps are constructive, they mark a reversal of the trend in recent years of reducing state interference and allowing the market a greater role in determining prices.

A week ago, China announced new restrictions on foreign investment in the telecommunications industry, a rapidly

growing area that had attracted attention from international investors.

Chinese trade negotiators also have apparently told American officials and businessmen that Beijing has lost its determination to win quick entry into the World Trade Organization. Some Chinese leaders, they say, now argue that it is the wrong time to join a body that will force China to open its markets more quickly.

This month, officials in Beijing said they would try to slow sales of many state-owned industries, arguing that too many sales were being made without proper government supervision. Sales of such industries — a policy announced with fanfare a year ago — have yielded a confusing jumble of corporate rip-offs and pocketing of state assets by local officials.

Under the new currency restrictions, banks must demonstrate that all trans-

actions involving more than \$100,000 are fully backed by documentation before they can be cleared by customs. The State Administration on Foreign Exchange will closely scrutinize any transactions of more than \$200,000.

**■ Mahathir Wary of Fund Flows**

Prime Minister Mahathir bin Mohamad of Malaysia proposed a new set of laws that would make it easier for the government to discern investors' moves in the financial markets, Bloomberg News reported from Kuala Lumpur.

The steps include requiring "substantial" shareholders of companies to announce purchases or sales of shares within seven days instead of 14. The definition of such shareholders has also been tightened, requiring them to disclose their holdings of more than 2 percent of a company's stock. Previously, the limit was 5 percent.

## Gillette, Seeing Profit Tumbling, Slashes Jobs

### 11% Cut in Work Force Is Planned; Shares Slide

**By Dana Canedy**  
*New York Times Service*

**NEW YORK** — Shares of Gillette Co. fell Tuesday after the maker of razor blades said it expected dismal quarterly earnings. The company also said it would cut 4,700 jobs, or 11 percent of its work force, as it reorganized its business.

Gillette said earnings for the quarter would be down 20 percent from a year earlier, largely as a result of a \$535 million charge against earnings to pay for the cutbacks and reorganization. Gillette also said it expected to report a decline of 6 percent to 7 percent in revenue for the quarter, from \$2.4 billion a year earlier.

Analysts said they were surprised by how bleak the financial outlook was, saying the company had provided no warning of the bad news.

"There has been a lack of information over the last quarter," said William Steele, who follows the company for Buckingham Research. "Basically I

think investors have been too optimistic based upon the company's guidance."

Gillette plans to close 14 plants and 12 warehouses and eliminate or consolidate about 30 office facilities worldwide. The company, which is based in Boston, did not say which plants and offices would be closed. The cost cuts, which are part of the company's second reorganization in five years, will result in annual savings of more than \$200 million, with a third of that coming next year and the rest by 2001.

The company also said its earnings would grow by a figure in the "low double digits" in the fourth quarter.

Gillette announced the profit warning and the cutbacks after the stock market closed Monday. On Tuesday, its shares closed at \$37.875 on the New York Stock Exchange, down \$2.125. Third-quarter results are scheduled to be released Oct. 15.

Calling it a "very poor quarter we'd like to forget," Alfred Zeien, the chairman and chief executive officer, said the



A Gillette facility in Boston; the company said Tuesday it would slash jobs.

results could be attributed to several factors.

First, the company's strategy to accelerate the introduction of its Mach 3 shaving system resulted in huge one-time costs. At the same time, Mr. Zeien said, as consumers have been stocking up on the new razor, which was sold with at least a month's worth of blades, many have not yet had to purchase replacements. In addition, economic instability in some countries has hurt wholesale demand overseas.

In addition to the job cuts and factory

closings, Gillette said it was realigning its management. The company said its six global business management units would be organized under two executive vice presidents.

The consolidation of the commercial operations will result in five geographic groups being organized under two additional executive vice presidents. The groups will sell the company's entire product line within their geographic territories instead of having distinct selling organizations with separate administrative functions in one territory.

## Japan Talks of Asia Aid

### Tokyo 'Thinking of Ways' to Help Its Region But Rules Out Broad Loan-Guarantee Plan

**Bloomberg News**

**TOKYO** — Japan is considering proposals to help Asian economies climb out of recession, including a modest program of loan guarantees and interest-rate subsidies, officials said Tuesday.

"We are thinking of ways to support Asia," said Eisuke Sakakibara, the vice minister of finance for international affairs.

But Mr. Sakakibara dismissed as "mere speculation" a report in the Mainichi newspaper that Japan would propose a 100 billion yen (\$735 million) international fund for loan guarantees in Asia.

Talk of the proposals comes as Finance Minister Kichiro Miyazawa prepares to meet with other Group of Seven leaders in Washington this weekend.

As Southeast Asian currencies and stocks have tumbled over the past year, Japan's trading partners have asked it to do more to stimulate its economy and increase imports from Asia.

A year ago, a Japanese proposal to establish a regional fund for loans and other economic support was rejected by

the International Monetary Fund and U.S. officials. Tokyo backed away from the plan and agreed to allow the IMF to take the leading role in healing the region's economies.

Analysts say the new plan is not likely to be as far-reaching as the one proposed last year.

Haruhiko Kuroda, the director general of the Finance Ministry's international bureau, said the G-7 leading industrialized countries — the United States, Japan, Germany, Britain, France, Italy and Canada — would discuss "capital controls for emerging economies."

Prime Minister Mahathir bin Mohamad of Malaysia has blamed hedge funds and other speculative investment vehicles for the declines in Asian currencies. The weekend G-7 meeting comes amid financial crises in Asia, Russia and Latin America.

The crises began when Thailand devalued the baht in July 1997. That prompted Indonesia and South Korea to let their currencies weaken, shaking confidence in emerging markets and causing investors to flee.

### ECONOMIC SCENE

## Hong Kong's Workers Battle Pay Cuts

**By Philip Segal**  
*International Herald Tribune*

**HONG KONG** — The local labor movement, emboldened by its government-assisted success in reversing Hongkong Telecommunications Ltd.'s attempt to cut wages by 10 percent last week, is hardening its stand against pay cuts in the worsening economy.

"We're against all wage reductions," said Mak Tak-ching, organizing secretary of the Hong Kong Confederation of Trade Unions. "We think many businesses earned much profit in the past few years, and now the economic situation is worse and they use this excuse to cut wages."

The process of economic adjustment has been brutal in Hong Kong, as it has been in most of Asia during the financial crisis. Property values have fallen by half in a little over a year, although they remain the highest in the world, and unemployment has shot up to a 15-year high of 5 percent.

A Hong Kong Institute of Human Resources Management survey released Tuesday found that one of three companies planned to cut employment by the end of the year, Agence France-Presse reported.

Employers and economists in Hong Kong say wage cuts are inevitable, but workers have begun resisting pay cuts, and the government appears nervous

over the possibility of social unrest. The government's resistance to wage cuts is "behavior which says it doesn't understand the implications of how a currency board system works," said Christopher Wood of Santander Investment in Hong Kong.

The terms of Hong Kong's fixed-currency system dictate that land and labor prices should adjust in exchange for keeping the currency steady, but the government has sought to support land

"We're against all wage reductions," a trade union official said. "Many businesses earned much profit in the past few years, and now the economic situation is worse and they use this excuse to cut wages."

prices for fear of destabilizing weaker banks. Last month, it bought billions of dollars' worth of stock to support share prices — an action that especially benefited the handful of tycoons responsible for most of Hong Kong's property development.

One proposal being debated in Hong Kong is to lower the cost of living for working couples by cutting the minimum wage of the 170,000 foreign-born domestic helpers — most of whom are from the Philippines — by 20 percent.

The consequences of that plan appear to be more palatable to the government than what could have happened last

week, when it helped to defuse a major labor dispute at Hongkong Telecom, the region's second-largest employer.

After a year in which it posted a record profit, Telecom proposed a 10 percent wage reduction across the board for its 13,800 employees. After statements by the Hong Kong chief executive, Tung Chee-hwa, that the government was concerned for the workers as well as threats from workers of mass protests and the possibility of paralyzed communications in Hong Kong, Telecom backed down.

Although many companies have dismissed workers, and those in the financial industry have cut salaries, the government's fears of social upheaval "may be playing a role in making it act more sensitively" in matters such as the Telecom pay dispute, said Michael DeGolyer of the government studies department of Hong Kong Baptist University.

Most economists here opposed the government's intervention in the stock market, and they take the same view about its pronouncements on wages.

Pay at Hongkong Telecom, Mr. Wood said, is "clearly none of the government's business."

Labor unions are planning a march against wage cuts Thursday, on China's national day. Among those participating will be domestic workers opposed to any reduction in their minimum salary, which is 3,860 Hong Kong dollars (\$498) a month.

CURRENCY & INTEREST RATES									
Sept. 29									
Cross Rates									
	\$	DM	FF	Yen	GBP	HK\$	S\$	Yen	Other
Amsterdam	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Berlin	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Bombay	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Buenos Aires	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Calcutta	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Cardiff	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Chennai	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Colon	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Dhaka	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Guangzhou	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Hankow	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Hong Kong	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Kobe	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
London	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Lyons	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Manila	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Medan	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Mumbai	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Nagasaki	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Osaka	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Paris	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Shanghai	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Singapore	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Taipei	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Tokyo	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228
Yokohama	1.2915	1.228	1.228	1.228	1.228	1.228	1.228	1.228	1.228

Other Dollar Values									
Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$
Argentine peso	1.2915	Chinese yuan	1.2915	Indian rupee	1.2915	Japanese yen	1.2915	South Korean won	1.2915
Australian dollar	1.2915	Hong Kong dollar	1.2915	Malay ringgit	1.2915	New Zealand dollar	1.2915	Singapore dollar	1.2915
Brazilian real	1.2915	Indonesian rupiah	1.2915	Philippine peso	1.2915	Swiss franc	1.2915	Taiwan dollar	1.2915
Canadian dollar	1.2915	Thai baht	1.2915	Turkish lira	1.2915	U.S. dollar	1.2915	Vietnamese dong	1.2915
Danish krone	1.2915	U.S. dollar	1.2915	Yen	1.2915				
Deutsche mark	1.2915								
French franc	1.2915								
Italian lira	1.2915								
Japanese yen	1.2915								
Malay ringgit	1.2915								
Mexican peso	1.2915								
Norwegian krone	1.2915								
Portuguese escudo	1.2915								
Spanish peseta	1.2915								
Swedish krona	1.2915								
Sri Lankan rupee	1.2915								
Taiwan dollar	1.2915								
Thai baht	1.2915								
Turkish lira	1.2915								
U.S. dollar	1.2915								
Vietnamese dong	1.2915								
Yen	1.2915								

Forward Rates									
Currency	30-day	60-day	90-day	120-day	150-day	180-day	210-day	240-day	270-day
Japanese yen	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915
Swiss franc	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915
U.S. dollar	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915	1.2915

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## THE AMERICAS

## Analysts Fear Another Big Hedge Fund Is Tottering

By Joseph Kahn  
and Peter Truell  
New York Times Service

**NEW YORK** — Even as a consortium of big Wall Street banks completed a huge-scale rescue package for Long-Term Capital Management, investors' anxiety rose about a second hedge fund in possible trouble because of bad bets in turbulent markets.

Questions about the financial viability of Convergence Asset Management centered on whether the fund had made the same kinds of miscalculations as Long-Term Capital. Both funds, based in Greenwich, Connecticut, are run by former star traders at Salomon Brothers Inc. and use similar strategies.

There were some signs that rich investors, scared by huge losses at Long-Term Capital, were reassessing their investments in hedge funds, the large and lightly regulated pools of capital that have drawn intense attention in recent days. Congressional committees scheduled hearings for Thursday on what happened at Long-Term Capital and whether it posed a risk to market stability.

"We're still in business," Andrew Fisher, the managing partner of Convergence Asset Management, said. "We have taken some body blows, but we have not fallen to the mat. We have met every margin call, and we still have a reasonable amount of free cash for just this type of event."

While he refused to say how much Convergence's capital had declined from an original \$500 million, Mr. Fisher emphasized that his fund, formed in March, remained liquid, maintaining about 25 percent of its resources in cash. Outflows are not a problem, he said, as investors

are committed to a nearly three-year term.

Analysts told Bloomberg News that while some other prominent hedge funds faced a disappointing month in September, they did not expect any to come close to collapsing as Long-Term Capital did.

"A lot of funds have been hurt a little," said Howard Taylor, executive director of Tass Management, a hedge fund consultancy, "but only a few funds have been hurt a lot."

Wall Street lawyers representing the consortium of banks and brokerage firms that rescued Long-Term Capital hammered out a final agreement Monday night. The rescue plan, originally put at \$3.5 billion, may now be running as high as \$3.65 billion.

Participants in the rescue operation, hastily arranged last week at meetings orchestrated by the Federal Reserve Bank of New York,

agreed to buy 90 percent of the fund, which is running out of money to support its billions in market bets.

The 16 firms — which have appointed Goldman, Sachs & Co., J.P. Morgan & Co., Morgan Stanley Dean Witter, Travelers Group and the Swiss banking company UBS AG as their oversight team — transferred the funds to Long-Term Capital last Monday.

"It's a very unhappy set of circumstances," said a senior Wall Street executive involved in the bailout, who refused to be identified by name.

The rescuing institutions have agreed to commit their capital for as long as three years, according to people involved in the effort.

Their objectives are to reduce the size of Long-Term Capital's enormous portfolio of securities, derivatives and forward contracts — positions that at the end of August

totaled \$1.25 trillion.

The three-year time frame for completing that task reflects the reality that Long-Term Capital had made such heavy bets in some bond and equity markets that liquidating its portfolio all at once would almost certainly send prices sharply lower in already fragile markets.

The senior Wall Street executive involved in the bailout said Monday that his firm's key goal was to put the best risk-management people in place at Long-Term Capital.

"We want to have the best possible chance to protect the capital we put in," he said, "and hopefully get out with a profit." He emphasized that the three-year commitment should allow time to turn Long-Term Capital's fortunes around.

He said he saw no alternative to the Fed-organized private-sector rescue, but he said many of his Wall Street colleagues disagreed.

## Dollar Drops Against Yen On Talk of G-7 Intervention

**NEW YORK** — The dollar fell sharply against the yen Tuesday on speculation that the Group of Seven leading industrialized nations would agree this weekend to prop up the Japanese currency.

A report from the Kyodo news agency said G-7 officials would arrange cooperation in bolstering the yen at the annual meeting of the body and the International Monetary Fund in Washington. That followed comments Monday by Treasury Secretary Robert Rubin, who said the weak yen was "a great concern."

There are concerns the yen is going to be on the table for G-7 discussions this week, said Jim Phoenix of CIBC Wood Gundy. "That brought dollar-yen lower."

In 4 P.M. trading, the dollar was at 134.60 yen, down from 136.12 yen Monday.

The yen has fallen against the dollar this year as the Japanese economy has endured its worst recession since World War II. The weak yen makes Japanese exports cheaper than those of its neighbors, which could lead other countries to devalue their currencies to stay competitive.

Kyodo, citing an unidentified "international financial source," said the G-7 was concerned that a

weak yen would put pressure on the Chinese yuan and other Asian currencies.

A devaluation of the yuan could depress worldwide consumer demand because it would reduce the purchasing power of the world's most populous country.

The dollar also dropped to 1.6748 Deutsche marks from 1.6762 DM, to 5.6146 French francs from 5.6203 francs and to 1.3880 Swiss francs from 1.3893 francs.

The pound rose to \$1.7085 from \$1.7063.

## U. S. STOCK MARKET DIARY

Index	Open	High	Low	Close	Change
Dow Jones	8100.50	8110.00	8090.00	8100.00	+10.00
S&P 500	2028.00	2030.00	2025.00	2028.00	+3.00
Nasdaq	2150.00	2160.00	2140.00	2150.00	+10.00
NYSE	1000.00	1010.00	990.00	1000.00	+10.00
AMEX	100.00	101.00	99.00	100.00	+1.00

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## New Data Show Loss for Cendant

**BLOOMBERG NEWS**  
PARSIIPPANY, N.J. — Cendant Corp., a marketer and franchisor of home furnishings, said that it lost \$217.2 million last year, instead of earning a net income of \$55.5 million as it had reported earlier, after the company restated its earnings.

Cendant, owner of such brands as Howard Johnson and Avis, is complying with a request by regulators that it update accounting practices of a unit that sells discount shopping and other services to fee-paying members.

## U.S. Bars Phone Alliances

**WASHINGTON** — Regional Bell telephone companies that want to sell long-distance service provided by another company to their local phone customers have received bad news from U.S. regulators. The practice is illegal.

US West Communications Inc. and Ameritech Corp. — both Bell companies — were told by the Federal Communications Commission on Monday that their separate alliances with Qwest Communications Corp., a long-distance company, violated U.S. law.

The FCC's decision, if upheld, would have implications for other

## RATES: Fed Eases to Ward Off Crisis

Continued from Page 1

Many developing countries have issued debt denominated in dollars, and it is "imperative that the dollar fall" to lighten their payment burden, Ms. Kimmelman said.

The dollar's reaction to the move was muted, however, as it had already fallen in recent weeks against European currencies on expectations of a rate cut, which reduces the attractiveness of dollar-denominated investments.

By Tuesday morning, it had been widely accepted that the Fed would cut rates, but there was a question of whether the federal funds rate would be reduced to 5 percent or 5.25 percent. A reduction to 5 percent would have been more immediately favorable to the markets, said Mr. Kahan, but would have run the risk of sending a signal that problems in the international economy were more serious than had been believed.

Mr. Greenspan's recent public pronouncements on the central bank's thinking had primed investors for Tuesday's action by indicating incremental shifts in the Fed's stance. He told the Senate Banking Committee in July that inflation was a greater threat than "protracted, excessive weakness" in the economy.

But at the Federal Open Market Committee meeting in August, the panel reassessed that view. On Sept. 4, the Fed chairman said that the committee at that point decided that "the risks had become balanced" between inflationary and recessionary

forces because of "dislocations abroad."

Last week, he told the Senate Budget Committee that since August, "deteriorating foreign economies and the spillover to domestic markets have increased the possibility that the slowdown in the growth of the American economy will be more than sufficient to hold inflation in check."

Mr. Kahan noted that "from July to now, there has been a 180-degree change in attitude" at the central bank.

Stock and bond prices began adjusting for a rate cut by early this month. Interest rates in the Treasury bond market have been falling steadily since late July, with the yield on the bellwether 30-year bond dropping to 5.09 percent late Tuesday from more than 5.70 percent last month and 5.15 percent Monday.

While the Fed has been concerned about events overseas, the U.S. economy has remained strong, expanding at a faster rate than has been considered compatible with keeping inflation in check. After expanding at a 5.5 percent rate in the first quarter and 1.6 percent in the second, the economy is on track to grow as fast as 3.5 percent for the year, and unemployment was a low 4.5 percent in August.

One sign of potential trouble was contained in the Conference Board's consumer confidence survey for September, which was released Tuesday. The index fell to 126.0 from 133.1 in August.

## INTERNATIONAL FUTURES

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AMEX	100.00	101.00	99.00	100.00	+1.00



## NYSE

## Tuesday's 4 P.M. Close

The 2,600 most traded stocks of the day.  
 Nationwide prices not reflecting late trades elsewhere.  
 The Associated Press.

Stock	Div Yld	PE	100 High	Low/Latest	Chg
AA					
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Stock	Div Yld	PE	100 High	Low/Latest	Chg
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Stock	Div Yld	PE	100 High	Low/Latest	Chg
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## SEC Chief Targets 'Hocus-Pocus'

Commission to Crack Down on Controversial Accounting

By Melody Petersen  
New York Times Service

NEW YORK — Scolding America's companies and their accountants for using "accounting hocus-pocus," Arthur Levitt, the chairman of the Securities and Exchange Commission, said his staff would crack down on businesses that used controversial accounting methods to manipulate numbers reported to shareholders.

Mr. Levitt's surprisingly harsh criticism and his far-reaching plan to stop the accounting abuses came after a string of companies announced that the profits they previously reported were wrong.

Among the companies where such announcements have led to large declines in stock prices are Cadant Corp., Sunbeam Corp., Livent Inc. and Oxford Health Plans Inc.

"We see greater evidence of these illusions or tricks," Mr. Levitt said this week. "We intend to step in now and turn around some of these practices."

Although he did not name any corporations, Mr. Levitt said his staff would immediately increase its scrutiny of companies that used certain aggressive accounting techniques to inflate their quarterly earnings and would soon issue new accounting rules and guidelines intended to halt the abuses.

He also called for a review of how U.S. public accounting firms audited financial statements, saying he feared that auditors might not be doing enough to find their clients' accounting shenanigans.

"We rely on auditors to put something like the Good Housekeeping Seal of Approval on the information investors receive," Mr.

Levitt said. "As I look at some of the failures today, I can't help but wonder if the staff in the trenches of the profession have the training and supervision they need to insure that audits are being done right."

The American Institute of Certified Public Accountants and several large accounting firms praised Mr. Levitt's plan, saying they shared his concerns and were eager to work with the commission on the issue.

Mr. Levitt said that the commission's enforcement division would focus on companies that used certain accounting methods that allowed them to "manage earnings" so that profits could be increased or decreased in such a way that the bottom line did not reflect actual operations.

He said the commission was frustrated with companies that used a factory closing or a work-force reduction as an opportunity to take



Arthur Levitt, Securities and Exchange Commission chairman.

millions of dollars of one-time charges for "restructuring."

By inflating those write-offs, companies get the bad news out of the way at once and can clear their balance sheets of expensive assets that would otherwise reduce the bottom line for years to come. For ex-

ample, Motorola Inc. announced recently that it would cut 15,000 jobs and take a restructuring charge of \$1.95 billion.

The commission has also been critical of companies that acquire other companies and then write off much of the purchase price by calling it "research and development."

For example, the commission blocked America Online Inc. from reporting its fourth-quarter earnings for nearly two months because of disagreements over how much the company should write off as a result of its acquisitions of Mirabilis Ltd. and Net Channel. America Online finally reached an agreement with the commission and published its results Monday, greatly scaling back the research write-off.

Mr. Levitt said other companies also were trying to bolster their earnings by manipulating revenue numbers.

For instance, many of the companies that have been required to restate earnings this year originally reported revenues that turned out to be fictional or included sales transactions that had not yet been completed.

To stop the accounting abuses, Mr. Levitt said the commission would write new accounting guidelines on the "dos and don'ts" of revenue recognition. "The commission also will begin requiring detailed disclosures about how management estimates the value of various write-offs or reserves and other assumptions made in preparing financial statements."

## Management Fight Pulls Down Yackman Funds

By Edward Wyatt  
New York Times Service

NEW YORK — A fight for control of a formerly highly regarded mutual fund is brewing between its manager and independent directors. If the battle follows the pattern of several similar recent battles, shareholders could be the biggest losers.

Last week, Donald Yackman, manager of two mutual funds that bear his name and have total assets of \$575 million, asked shareholders to vote out four of the six directors, saying they had pressed him to change his investment style.

In addition, Mr. Yackman is asking shareholders to elect three new directors supported by him at a meeting Nov. 24. If shareholders do not, Mr. Yackman has threatened to resign as portfolio manager.

In response, the independent directors voted to remove Mr. Yackman as president of the funds, although his firm, Yackman Asset

Management, remains under contract as portfolio manager. The directors also released a letter they had sent to Arthur Levitt, chairman of the Securities and Exchange Commission, outlining complaints they had made to Mr. Yackman over the last year.

The directors wrote Mr. Levitt that they were concerned about an apparent change in the manager's investment technique, his use of derivatives, a possible employee violation of the funds' ethics code and management of the funds by individuals not identified in the prospectus.

The degree of distrust between Mr. Yackman and the outside directors is apparent in the June dismissal of Joe Carlson, formerly an executive vice president of Yackman Asset Management.

Mr. Carlson, who has remained a director, is now siding with the three other outside directors against his former employer.

The dispute resembles a confrontation last year between Louis Navellier, a portfolio manager, and the independent directors of a fund he managed. The independent directors dismissed Mr. Navellier as portfolio manager, but they failed to get enough shareholder support to award the management contract of the fund to the company they favored.

The independent directors resigned after losing a shareholder vote. Mr. Navellier returned as portfolio manager, and the shareholders elected a board of his choosing.

Investors who stayed with the Navellier fund through the turmoil were the ultimate losers, however, as many of their fellow investors withdrew their money and the fund's performance fell as the interim manager sold many stocks from the portfolio at depressed prices.

The Yackman Fund, the larger of the two funds managed by Mr.

Yackman, has similarly seen assets flood out, dropping from \$1.1 billion last Dec. 31 to \$541 million on Aug. 31 as the fund's performance has lagged that of the market and of its peers.

Through last week, the fund was down 12.3 percent this year and had lost 13.5 percent over the past 12 months. That compared with gains, including reinvested dividends, of 8.8 percent this year and 13.1 percent in the past 12 months for the Standard & Poor's 500-stock index. A second fund, the Yackman Focused fund, has similarly lagged its peers.

Over much longer periods, however, Mr. Yackman has performed strongly.

He was named portfolio manager of the year in 1991 by Morningstar Inc., the Chicago-based fund-tracking company, for his management of the Selected American Shares fund. He started the Yackman Fund in 1992 and the Focused fund last year.

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121 MERILL LYNCH BANK GUINNESS SA 121 MERILL LYNCH BANK GUINNESS SA
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The 1,000 most traded National Market securities  
In terms of dollar value, updated twice a year.  
*The Associated Press.*

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Order	Particulars	Debit	Credit	Balance
1	By Balance b/d		100.00	100.00
2	To Cash	50.00		50.00
3	To Bank	50.00		0.00
4	By Cash		50.00	50.00
5	To Cash	50.00		0.00
6	To Bank	50.00		0.00
7	By Cash		50.00	50.00
8	To Cash	50.00		0.00
9	To Bank	50.00		0.00
10	By Cash		50.00	50.00
11	To Cash	50.00		0.00
12	To Bank	50.00		0.00
13	By Cash		50.00	50.00
14	To Cash	50.00		0.00
15	To Bank	50.00		0.00
16	By Cash		50.00	50.00
17	To Cash	50.00		0.00
18	To Bank	50.00		0.00
19	By Cash		50.00	50.00
20	To Cash	50.00		0.00
21	To Bank	50.00		0.00
22	By Cash		50.00	50.00
23	To Cash	50.00		0.00
24	To Bank	50.00		0.00
25	By Cash		50.00	50.00
26	To Cash	50.00		0.00
27	To Bank	50.00		0.00
28	By Cash		50.00	50.00
29	To Cash	50.00		0.00
30	To Bank	50.00		0.00
31	By Cash		50.00	50.00
32	To Cash	50.00		0.00
33	To Bank	50.00		0.00
34	By Cash		50.00	50.00
35	To Cash	50.00		0.00
36	To Bank	50.00		0.00
37	By Cash		50.00	50.00
38	To Cash	50.00		0.00
39	To Bank	50.00		0.00
40	By Cash		50.00	50.00
41	To Cash	50.00		0.00
42	To Bank	50.00		0.00
43	By Cash		50.00	50.00
44	To Cash	50.00		0.00
45	To Bank	50.00		0.00
46	By Cash		50.00	50.00
47	To Cash	50.00		0.00
48	To Bank	50.00		0.00
49	By Cash		50.00	50.00
50	To Cash	50.00		0.00
51	To Bank	50.00		0.00
52	By Cash		50.00	50.00
53	To Cash	50.00		0.00
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56	To Cash	50.00		0.00
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61	By Cash		50.00	50.00
62	To Cash	50.00		0.00
63	To Bank	50.00		0.00
64	By Cash		50.00	50.00
65	To Cash	50.00		0.00
66	To Bank	50.00		0.00
67	By Cash		50.00	50.00
68	To Cash	50.00		0.00
69	To Bank	50.00		0.00
70	By Cash		50.00	50.00
71	To Cash	50.00		0.00
72	To Bank	50.00		0.00
73	By Cash		50.00	50.00
74	To Cash	50.00		0.00
75	To Bank	50.00		0.00
76	By Cash		50.00	50.00
77	To Cash	50.00		0.00
78	To Bank	50.00		0.00
79	By Cash		50.00	50.00
80	To Cash	50.00		0.00
81	To Bank	50.00		0.00
82	By Cash		50.00	50.00
83	To Cash	50.00		0.00

姓名	性别	年龄	籍贯	职业	住址	备注
王德胜	男	45	山东	农民	山东烟台	
李德胜	男	35	河北	工人	河北保定	
张德胜	男	55	河南	商人	河南郑州	
赵德胜	男	25	江苏	学生	江苏南京	
刘德胜	男	65	浙江	医生	浙江杭州	
陈德胜	男	30	安徽	教师	安徽合肥	
周德胜	男	40	江西	工程师	江西南昌	
吴德胜	男	50	福建	记者	福建福州	
孙德胜	男	20	广东	演员	广东广州	
马德胜	男	70	广西	农民	广西桂林	
朱德胜	男	30	四川	工人	四川成都	
徐德胜	男	40	湖南	商人	湖南长沙	
郭德胜	男	50	湖北	学生	湖北武汉	
何德胜	男	60	陕西	医生	陕西西安	
冯德胜	男	30	山西	教师	山西太原	
田德胜	男	40	辽宁	工程师	辽宁沈阳	
宋德胜	男	50	吉林	记者	吉林长春	
李德胜	男	20	黑龙江	演员	黑龙江哈尔滨	
王德胜	男	70	内蒙古	农民	内蒙古呼和浩特	
张德胜	男	30	宁夏	工人	宁夏银川	
赵德胜	男	40	甘肃	商人	甘肃兰州	
刘德胜	男	50	青海	学生	青海西宁	
陈德胜	男	60	新疆	医生	新疆乌鲁木齐	
周德胜	男	30	西藏	教师	西藏拉萨	
吴德胜	男	40	云南	工程师	云南昆明	
孙德胜	男	50	贵州	记者	贵州贵阳	
马德胜	男	20	四川	演员	四川成都	
朱德胜	男	70	重庆	农民	重庆重庆	
徐德胜	男	30	湖南	工人	湖南长沙	
郭德胜	男	40	湖北	商人	湖北武汉	
何德胜	男	50	陕西	学生	陕西西安	
冯德胜	男	60	山西	医生	山西太原	
田德胜	男	30	辽宁	教师	辽宁沈阳	
宋德胜	男	40	吉林	工程师	吉林长春	
李德胜	男	50	黑龙江	记者	黑龙江哈尔滨	
王德胜	男	20	内蒙古	演员	内蒙古呼和浩特	
张德胜	男	70	宁夏	农民	宁夏银川	
赵德胜	男	30	甘肃	工人	甘肃兰州	
刘德胜	男	40	青海	商人	青海西宁	
陈德胜	男	50	新疆	学生	新疆乌鲁木齐	
周德胜	男	60	西藏	医生	西藏拉萨	
吴德胜	男	30	云南	教师	云南昆明	
孙德胜	男	40	贵州	工程师	贵州贵阳	
马德胜	男	50	四川	记者	四川成都	
朱德胜	男	20	重庆	演员	重庆重庆	
徐德胜	男	70	湖南	农民	湖南长沙	
郭德胜	男	30	湖北	工人	湖北武汉	
何德胜	男	40	陕西	商人	陕西西安	
冯德胜	男	50	山西	学生	山西太原	
田德胜	男	60	辽宁	医生	辽宁沈阳	
宋德胜	男	30	吉林	教师	吉林长春	
李德胜	男	40	黑龙江	工程师	黑龙江哈尔滨	
王德胜	男	50	内蒙古	记者	内蒙古呼和浩特	
张德胜	男	20	宁夏	演员	宁夏银川	
赵德胜	男	70	甘肃	农民	甘肃兰州	
刘德胜	男	30	青海	工人	青海西宁	
陈德胜	男	40	新疆	商人	新疆乌鲁木齐	
周德胜	男	50	西藏	学生	西藏拉萨	
吴德胜	男	60	云南	医生	云南昆明	
孙德胜	男	30	贵州	教师	贵州贵阳	
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徐德胜	男	20	湖南	演员	湖南长沙	
郭德胜	男	70	湖北	农民	湖北武汉	
何德胜	男	30	陕西	工人	陕西西安	
冯德胜	男	40	山西	商人	山西太原	
田德胜	男	50	辽宁	学生	辽宁沈阳	
宋德胜	男	60	吉林	医生	吉林长春	
李德胜	男	30	黑龙江	教师	黑龙江哈尔滨	
王德胜	男					

1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100
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**Tuesday's 4 P.M. Close**  
(Continued)

Year	State	City	Dr	Vt	PE	High	Low	Level	Corp
1970	MA	MASS	12	13	13	13	13	13	MASS
1971	MA	MASS	12	13	13	13	13	13	MASS
1972	MA	MASS	12	13	13	13	13	13	MASS
1973	MA	MASS	12	13	13	13	13	13	MASS
1974	MA	MASS	12	13	13	13	13	13	MASS
1975	MA	MASS	12	13	13	13	13	13	MASS
1976	MA	MASS	12	13	13	13	13	13	MASS
1977	MA	MASS	12	13	13	13	13	13	MASS
1978	MA	MASS	12	13	13	13	13	13	MASS
1979	MA	MASS	12	13	13	13	13	13	MASS
1980	MA	MASS	12	13	13	13	13	13	MASS
1981	MA	MASS	12	13	13	13	13	13	MASS
1982	MA	MASS	12	13	13	13	13	13	MASS
1983	MA	MASS	12	13	13	13	13	13	MASS
1984	MA	MASS	12	13	13	13	13	13	MASS
1985	MA	MASS	12	13	13	13	13	13	MASS
1986	MA	MASS	12	13	13	13	13	13	MASS
1987	MA	MASS	12	13	13	13	13	13	MASS
1988	MA	MASS	12	13	13	13	13	13	MASS
1989	MA	MASS	12	13	13	13	13	13	MASS
1990	MA	MASS	12	13	13	13	13	13	MASS
1991	MA	MASS	12	13	13	13	13	13	MASS
1992	MA	MASS	12	13	13	13	13	13	MASS
1993	MA	MASS	12	13	13	13	13	13	MASS
1994	MA	MASS	12	13	13	13	13	13	MASS
1995	MA	MASS	12	13	13	13	13	13	MASS
1996	MA	MASS	12	13	13	13	13	13	MASS
1997	MA	MASS	12	13	13	13	13	13	MASS
1998	MA	MASS	12	13	13	13	13	13	MASS
1999	MA	MASS	12	13	13	13	13	13	MASS
2000	MA	MASS	12	13	13	13	13	13	MASS
2001	MA	MASS	12	13	13	13	13	13	MASS
2002	MA	MASS	12	13	13	13	13	13	MASS
2003	MA	MASS	12	13	13	13	13	13	MASS
2004	MA	MASS	12	13	13	13	13	13	MASS
2005	MA	MASS	12	13	13	13	13	13	MASS
2006	MA	MASS	12	13	13	13	13	13	MASS
2007	MA	MASS	12	13	13	13	13	13	MASS
2008	MA	MASS	12	13	13	13	13	13	MASS
2009	MA	MASS	12	13	13	13	13	13	MASS
2010	MA	MASS	12	13	13	13	13	13	MASS
2011	MA	MASS	12	13	13	13	13	13	MASS
2012	MA	MASS	12	13	13	13	13	13	MASS
2013	MA	MASS	12	13	13	13	13	13	MASS
2014	MA	MASS	12	13	13	13	13	13	MASS
2015	MA	MASS	12	13	13	13	13	13	MASS
2016	MA	MASS	12	13	13	13	13	13	MASS
2017	MA	MASS	12	13	13	13	13	13	MASS
2018	MA	MASS	12	13	13	13	13	13	MASS
2019	MA	MASS	12	13	13	13	13	13	MASS
2020	MA	MASS	12	13	13	13	13	13	MASS
2021	MA	MASS	12	13	13	13	13	13	MASS
2022	MA	MASS	12	13	13	13	13	1	


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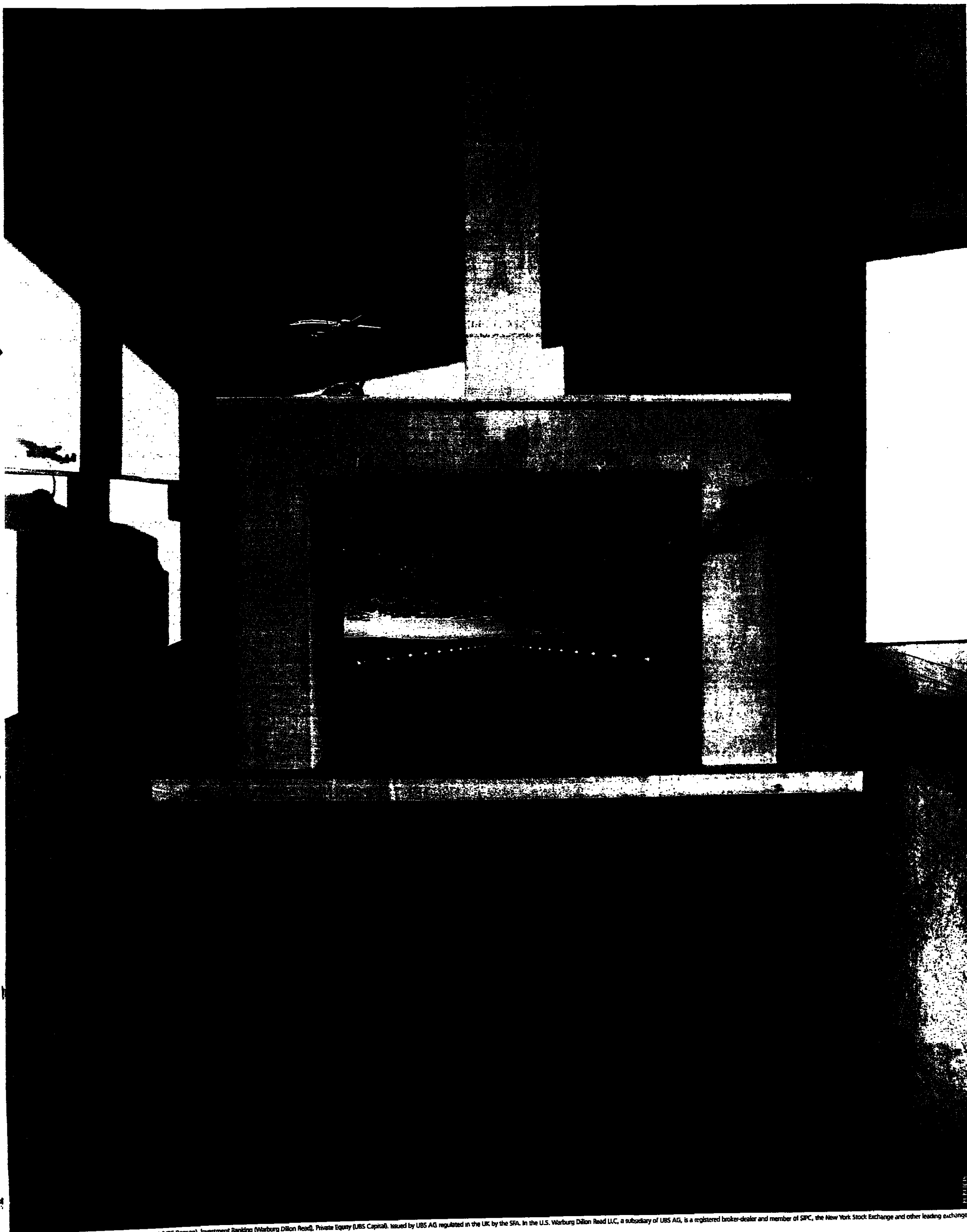
12 Month	High	Low	Stock	Div Yld Pct	100-100	Low/Latest Ch
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2004-05						

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Well, why not? Why can't things be different? After all, nothing new could ever be created if someone didn't think of it first, and dreaming up those possibilities is every bit as fascinating as where they lead. If you expect your banker to look beyond the obvious, perhaps you should talk to us. You'll discover that we're not just any bank, but the right bank for you.  UBS





## EUROPE

## EMI Dogged by Rejection and Motherhood

By Laura Board  
Bloomberg News

LONDON — This has not been a good year for EMI Group PLC. EMI, the world's fifth-largest music company, has seen sales in major markets slump, has lost a suit and faces the impending motherhood of half of its top-selling act, the Spice Girls.

EMI has also failed to strike a chord with investors. Its shares have fallen 26 percent since the end of March, including a 5 percent drop after a profit warning Sept. 21 suggested its problems were worsening. Investors have bid down EMI's value to £2.9 billion (\$4.95 billion) from the year's peak of £4.8 billion in April, when the company announced it was talking to a suitor. The buyer, reportedly Seagram Co., shunned it in favor of PolyGram NV. Analysts say EMI probably faces a solitary future until its shares drop further.

There were lots of people that were supposedly interested," said

Nigel Reed, an analyst at Paribas Capital Markets. "Maybe they're still interested, but the outlook has changed quite dramatically. Things have declined even further in Asia. There's been a massive drop in South America. Without a bid, there's probably even more downside."

EMI derived a quarter of its sales last year from Britain and the same amount each from the rest of Europe and North America. It got almost one-fifth of its sales from the Asia-Pacific region, though just 3 percent of its profit.

The company said last week that a further deterioration in Southeast Asia and slumping Brazilian sales would cut operating profit by about 20 percent for the six months ending in September. First-half sales in Asia, excluding Japan, will fall 15 percent, while Latin American sales will drop 6 percent. Only the United States performed better than expected in the first half. Sales there are expected to rise 5 percent.

Sales in Germany, France and Britain, Europe's three largest econ-

omies, were flat. Analysts said European sales might begin to fall as U.K. consumer spending slowed and in the absence of the hit albums from the likes of the Verve and the Spice Girls that raised sales the year before.

"The market looks pretty dire out there, and they aren't doing much to rectify it," said Anthony de Larrinaga, an analyst at Panmure Gordon, who has a "hold" recommendation on the stock. "Really, its valuation isn't that low in the light of a flat, if not declining, world market."

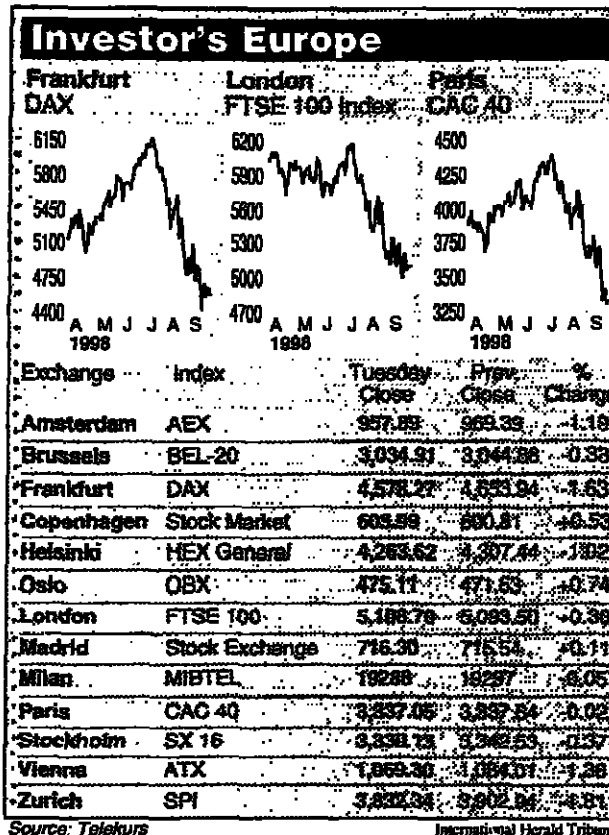
Last week's warning prompted analysts, including Angela Maxwell of Sutherland & Sutherland, to cut their earnings forecasts. Most expect sales this year to fall at least 5 percent from last year's £2.4 billion and profit to plunge with it.

"I have radically downgraded my forecasts and was already at the bottom end," said Mr. Maxwell, who has a "sell" recommendation on the stock. "There's no clear bidder in the market for EMI with Seagram having taken out PolyGram. I don't think things are going to get better."

Possible buyers for EMI appear to be retreating. Germany's Bertelsmann AG on Monday played down a report in *Daily Variety* that a management board member, Michael Dornemann, who also heads its music division, would be interested in EMI, though only at less than its current market price. EMI's shares fell 4 pence Tuesday to close at 371. A Bertelsmann spokesman said Mr. Dornemann's comments had been "hypothetical."

A merger of the two companies would almost certainly pose regulatory problems anyway. The enlarged company would have about 40 percent of the German market and about a 37 percent share in Britain.

Wah Disney Co., once seen as a prime contender for the company, is regarded as unlikely to make a move while it grapples with problems in Asia and a sagging share price. Disney's shares have dropped 25 percent in the last six months. Viacom Inc., meanwhile, is expected to concentrate on its existing media businesses rather than expand into new areas.



## Very briefly:

- Alitalia SpA's first-half profit rose 6 percent, to 152 billion lire (\$91.3 million), as a result of cost-cutting and increased sales. The government plans to sell a 54 percent stake in the airline late this year or early next year.
- Mediaset SpA plans to invest 850 billion lire this year to secure television rights to expand programming for children and the elderly.
- LM Ericsson AB's head of its troubled Infocom Systems unit, Anders Igel, will leave post Thursday, and the Swedish telecommunications giant is to unveil a restructuring Oct. 12.
- Coca-Cola Beverages shares finished down 21.5 pence at 134 (\$2.28) after the top soft-drink bottler for Eastern Europe warned that difficult economic conditions in Belarus and Ukraine would affect earnings.
- RAO Norilsk Nickel and its unions agreed to cancel wage increases to avoid layoffs. The Russian nickel and palladium producer also will cut output to reduce losses resulting from the depreciation of the ruble and low base-metal prices.
- Saurer AG said its full-year profit would be lower than last year's. The Swiss maker of spinning machines cited reduced demand from emerging markets.

## Europeans Seek VW's New Beetle

Bloomberg News

PARIS — Volkswagen AG said Tuesday that about 150,000 Europeans had expressed interest in buying the New Beetle, which Volkswagen plans to sell on the Continent at the end of the year.

VW said Germans had accounted for two-thirds of those interested. "With the introduction of the New Beetle, we are following clients' wishes for a new cult car," VW's chief executive, Ferdinand Piech, said at the Paris Auto Show. The car, made in Mexico, was introduced in March in the United States.

## Less Call for Levi's, So 1,500 Jobs Will Go

Reuters

BRUSSELS — Levi Strauss & Co. said Tuesday that it planned to close four plants and cut about 1,500 jobs in Europe, amid waning demand there for its blue jeans.

The news came one day after Levi Strauss announced that it would close two plants in the United States and lay off 991 workers.

A declining number of young people in Europe, changing consumer tastes, tougher competition from private-label jeans and increased competition for consumer spending all contributed to lower demand for Levi's jeans, the company said.

"Over the last year across

Europe, we have been selling less denim," said Mark Elliott, a spokesman for Levi Strauss Europe. "We have been partially replacing that with the Dockers brand and other nondenim products."

The company, which operates 12 plants across Europe, has already taken other steps to cut overcapacity — including down time, reorganized work schedules and reduced use of outside contractors — but it found that they were insufficient.

"The key factor was this overcapacity," Mr. Elliott said.

Under the planned restructuring, subject to agreement with workers' councils, Levi Strauss Europe would close three plants in Belgium, af-

fecting 931 jobs, and one in France, affecting 530 jobs. Some 100 office workers across Europe could also be laid off, the company said.

The proposal was presented to work councils in Belgium and France and the Levi's European Employee Council.

Mr. Elliott said the company hoped to reach an agreement with the councils quickly, but he said he could not estimate how long negotiations might take or give details on the costs of closing the plants.

Mr. Elliott, when asked whether 1998 revenue was expected to fall below 1997 levels as a result of the changing consumer tastes, said, "It's too early to say."

## WORLD STOCK MARKETS

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## Peugeot Plans Link With Ford

Reuters

PARIS — PSA Peugeot Citroën SA of France and Ford Motor Co. of the United States said Tuesday they would join forces to develop diesel engines as borders continued to crumble in the global auto industry.

The two partners will share development costs, estimated at 2 billion francs (\$355.9 million), for the small diesel engines. It was the first time the independent-minded French producer had linked up with a non-European player, and it reflected the need for manufacturers to cut production costs in the highly competitive auto market.

"This is our response to the challenge of globalization," Jean-Martin Folz, the chairman of Peugeot Citroën, said at a news conference at the Paris Motor Show.

Although sales in Europe and the United States are strong, the crisis in emerging markets has sent a shiver through the industry, driving the question of consolidation to the top of the agenda. The purchase of Chrysler Corp. by Daimler-Benz AG announced this year has sparked speculation that other carmakers will have to merge or forge joint production ventures.

"I would say today anything is possible," John Smith, chairman and chief executive of General Motors Corp., said. "I think the Chrysler-Daimler merger in combination with the financial crisis has led to automakers all over the world taking a hard look at their own situation and seeing what they need to do."

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London FTSE 100	~5000	~5500
Paris CAC 40	~3500	~4000

Index	1998	1999
Amsterdam AEX	~1500	~1600
Brussels BEL-20	~1200	~1300
Copenhagen Stock Market	~1800	~1900
Helsinki HEX General	~1000	~1100
Oslo OBX	~1500	~1600
London FTSE 100	~5000	~5500
Madrid Stock Exchange	~1200	~1300
Milano MIBTEL	~1000	~1100
Paris CAC 40	~3500	~4000
Stockholm SX 16	~1500	~1600
Vienna ATX	~1000	~1100
Zurich SPI	~1000	~1100

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### THE INTERMARKET Starts on Page 4

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## WORLD ROUNDUP



Jonas Bjorkman rallying on Tuesday to defeat Tim Henman, 7-5, 6-4, in Munich.

## Hingis on Track

**TENNIS** Top-ranked Martina Hingis opened the women's era in the \$6.7 million Grand Slam Cup in Munich by beating Conchita Martinez, 6-2, 7-5, on Tuesday.

Eight women are participating in the lucrative event for the first time since the introduction of the tournament in 1990.

The tournament nominally brings together players with the best records in the four Grand Slam events of the year — the Australian, French and U.S. Open and Wimbledon. But three men's Grand Slam champions of 1998 — Pete Sampras, Patrick Rafter and Carlos Moya — are skipping the tournament. Only Petr Korda is among the 12 men here.

In the opening men's match, Jonas Bjorkman rallied from a 5-1 deficit in the opening set to beat Tim Henman, 7-5, 6-4. (AP)

## Countdown for NBA

**BASKETBALL** Billy Hunter, director of the players union, has four days to renew the latest offer from owners as the NBA lockout is about to enter its fourth month. The latest proposals showed some movement on salaries but also included new issues not previously discussed during collective bargaining talks. With each passing day, the likelihood that the regular season will not start on time Nov. 3 increases. (AP)

## A Middle-Aged Matchup

**BOXING** George Foreman and Larry Holmes can't throw punches like they used to, but they're still sharp with the verbal jabs. Foreman and Holmes joked Monday about turning 50 as they met in Houston's Astrodome to announce that they will face off in the ring for the first time in a 12-round fight Jan. 23.

"Usually, the doctors check a fighter's heart, but with Larry and me, they're just going to see if we have a pulse," Foreman said.

They're calling it the "Birthday Bash" in honor of Foreman's 50th birthday on Jan. 10. Holmes turns 49 on Nov. 3. (AP)

## Million-Dollar Bauble

**BASEBALL** Mark McGwire's homer chase is over, but collectors have resumed the scramble for McGwire's 70th home run ball. Meanwhile, the St. Louis fan who caught the ball, Philip Ozerky, is struggling between selling the ball and ensuring that it ends up in the Hall of Fame.

"You listen to the radio and hear people say, 'You're crazy if you don't sell it,' so I at least have to give it some thought," Ozerky said. "I'm not going to say I'm going to sell it."

A group of three memorabilia collectors resented their \$1 million offer for sports' newest treasure. They also extended a 72-hour deadline for Ozerky to make his decision. (AP)

## In Munich, a Long 60 Seconds

## Manchester United and Bayern to Commemorate '58 Crash

By Rob Hughes  
International Herald Tribune

LONDON — Should Rupert Murdoch wish to appreciate the spiritual essence of Manchester United, the club he has agreed to spend \$1 billion to buy, he might spare a minute of his valuable time on Wednesday evening.

In Munich's Olympiastadion, and via the medium of television throughout more than 100 countries, we

## EUROPEAN SOCCER

shall see the modern players of Manchester United and Bayern Munich bow their heads for 60 seconds before their Champions League match. Those 60 seconds will commemorate the United team that died, and the legend that was born, on a Munich airport runway 40 years ago.

It is one of fate's ironies that not until now have Bayern Munich and Manchester United met in competitive soccer. Not until Wednesday have these two clubs, giants of the postwar game, been drawn to the same playing field, even though the total of their contests in European tournaments amounts to more than 450 matches.

For that, alone, Wednesday is a big UEFA night. The fact that business has never scheduled United another encounter in Munich is even more surprising. Yet it was there, in fog and snow beyond the runway of Munich's airport, that the plane carrying arguably Manchester's finest ever team, crashed in February 1958.

The nucleus of that team died when the aircraft crashed on take-off after a fuel stop on the way home from Belgrade.

Manchester United, already a name because of its rise from ashes following the bombing between Germany and England during World War II, was to attract global sympathy for the refusal of Matt Busby and the other survivors to quit.

With the help of Munich doctors and nurses, they became a worldwide symbol of the spirit of man, embodied in a simple, irresistible game.

If Murdoch's billion buys that club, that legacy, he will come to learn that this is anything but another business acquisition.

That said, no amount of sentiment will stop Bayern Munich from trying, and very likely succeeding, to put Manchester down once the minutes of respect is over.

For the sport is now a business, Manchester United is a big scalp in that business and the likes of Lothar Matthaus, Stefan Effenberg and Giovanni Elber are committed men when it comes to the spoils of soccer.

**BAYERN MUNICH** and Manchester United are market leaders. They are in the vanguard of negotiations that will either squeeze vastly more profits out of UEFA or take up their ball and parade their reputation with the attempted Super League of European clubs.

It is taken for granted that Munich and Manchester are trying everything at their command to win the Champions League — it is an embarrassment to each that neither has won the European Cup for 22 years.

These are not great teams, not on paper the equals of the defending champion Real Madrid nor the burgeoning talents individually within Internazionale nor the brooding, expectant Juventus.

In an off-season, Munich or Manchester could emerge triumphant, though for that to happen Bayern

would need to find more inspiration than just Elber, its Brazilian goal scorer, and United would have to show an altogether more sophisticated grasp of European tactics than has been its case.

Domestically, at least, Bayern has struck a convincing rhythm right from the start of Ottmar Hitzfeld's coaching regimen.

Six Bundesliga games played, six won, an average of three goals a game are consistency enough. Yet in Europe a note of complacency — or was it weariness? — allowed Brondby, the unfancied Danes, to come from a goal down to beat Munich, 2-1, in the opening match of the group.

United's form has been the other way around. In the English League, despite or perhaps because of spending almost one third of its £246 million (\$145 million) annual turnover on three new players, Manchester has started the new term erratically.

Jaap Stam, Jesper Blomqvist and Dwight Yorke are quality recruits yet to add to the sum of United's renowned teamwork.

**IN EUROPE**, too, United flattered to deceive. To lead Barcelona by three goals before 53,601 supporters and to finish 3-3 seemed like rank carelessness.

And when Arsenal, last season's champion of English soccer, smacked another three goals, without reply or reasonable excuse, against United in the next league match, the question of Manchester's defense appeared indefensible.

It was, moreover, a shock for Arsenal. Its own first outing in Europe, a 1-1 draw in Lens, suggested nothing more than tentative efficiency, and a string of five draws and one defeat, during which Arsenal scored just twice, is hardly rampant form.

Arsenal's guns, however, are primed for the big occasion and Wednesday is undoubtedly that.

Arsenal has hired Wembley Stadium for its home European games, doubling the crowd potential of its own Highbury arena. From that point of view, all's well, with upward of 60,000 having bought tickets in advance. A word of warning comes with the knowledge that 10,000 Greeks, fans of Panathinaikos, deem this to be their celebration.

So an atmosphere in the old stadium is assured. A six-figure sum from tickets is already banked. And Arsenal Wenger, while content that his vastly experienced squad will relish the setting, paid cautious respect to Panathinaikos after its 2-1 victory over the highly rated Dynamo Kiev in Athens two weeks ago.

Panathinaikos has not played to anything remotely as big as the Wembley assembly, but Alijosa Asanovic, the Croat who will captain the Athens team on Wednesday, vows: "Wembley is the biggest football theater in the world. We have to prove we are good actors, and I am sure we will get a good result." Time will tell. It will take 90 minutes, though any game can be lost in a minute.

As to the odds? Bayern Munich fans will tell you their side has never lost a European match at home during Oktoberfest, and no Champions League game has ever been lost at Wembley. There has, until now, never been one, although European finals have been held there, including the 1971 European Cup. Ajax won it by two goals against an Athenian team called Panathinaikos.

Rob Hughes is chief sportswriter for The Times of London.



Hajduk Split's Jurica Vucko, center, trying to fend off Fiorentina's Gabriel Batistuta.

## Aston Villa Moves to 2d Round

Reuters

Stan Collymore, under fire for his lack of form recently, bounced back with a hat trick Tuesday to secure Aston Villa a place in the second round of the UEFA Cup with a 3-0 victory over Norway's Strømsgodset.

The English league leader won, 6-2, on aggregate, erasing

## UEFA CUP

a nightmare from the first leg when the Norwegians had been leading, 2-0, before Aston Villa scored three goals in the dying minutes to win, 3-2.

Collymore knocked in his first goal with a curling shot in the 10th minute and made it two in the 23rd against a steadily more dispirited Norwegian team. He scored his third in the 64th minute, tapping in a cross.

Slavia Prague 1, Schalke 0 Germany's Schalke, the UEFA Cup winner two seasons ago, crashed out of this year's competition Tuesday after a pen-

alty shoot-out against Slavia Prague of the Czech Republic.

Slavia, 1-0 down after the first leg, quickly made up the deficit when Richard Dostalek fired home a powerful half-volley in the 17th minute. A Schalke defender failed to clear a shot from Vladimir Labant, allowing Dostalek to score from the edge of the box.

With the aggregate score still at 1-1 after extra time, Slavia took the first of the penalties. Schalke's Marco van Hoogdale missed after each side had scored four.

**Bologna 2, Sporting Lisbon 1** Bologna eased through to the second round of the UEFA Cup despite a second-half scare Tuesday against Portugal's Sporting Lisbon.

Bologna entered the second leg match carrying a 2-0 lead from the first leg but fell behind after 65 minutes when Leandro Machado, a Brazilian striker, beat Francesco Antonioli, the goalkeeper, at his near post with a right-foot volley.

Five minutes later the visitors were reduced to 10 men when Simao, a forward, was ejected and the match started to swing Bologna's way.

Carlo Nervo steadied Bologna's nerves with an equalizer in the 78th minute, meeting a crossing pass from Eribero with a firm right foot strike.

Giuseppe Signori then completed a 4-1 aggregate victory in injury time with a penalty.

**Florentina 0, Hajduk Split 0** Tight defending helped Florentina into the second round of the UEFA Cup when they managed a goalless draw at Hajduk Split.

Florentina, which won the first leg played in Bari, 2-1, made few attempts to threaten Hajduk's goal. But they kept their cool in the face of an offensive mounted by Hajduk team in the first half.

Also on Tuesday night, Marseille routed Sigma Olomouc of the Czech Republic, 4-0, and won on a 6-2 aggregate score.

## Detroit Rookies Shine in Victory Over Tampa

The Associated Press

**PONTIAC, Michigan** — It was a big night for Detroit's rookies, and the Lions got their first victory of the National Football League season.

Terry Fair, a rookie defensive back, returned a kickoff 105 yards for a touchdown, and a rookie quarterback, Charlie Batch, scored on a sneak as the Lions beat the Tampa Bay Buccaneers, 27-6, on Monday night.

Fair's kickoff return, which broke the game open in the fourth quarter, was the longest touchdown in the Lions' history.

Batch, in his second start, completed 14 out of 23 passes, for 115 yards, and scored on a one-yard sneak in the third quarter. He also rushed for 39 yards on eight carries.

The Lions won for the first time in four games.

"I thought Batch did a heck of a job," said Lions' coach, Bobby Ross. "His creativity helped

Batch's total offense was 154 yards. Tampa Bay's team total was 133.

"That is hard to do in this league," Ross said of the Bucs' total, adding that the Lions put constant pressure on Trent Diller, Tampa's quarterback, through the whole game. "That really helped our coverage," he said.

Bryant Westbrook scored on a 34-yard interception return, and Jason Hanson, who had to assume punting duties when John Jett was injured, kicked field goals of 27 and 25 yards for the Lions.

Michael Husted kicked field goals of 43 and 47 yards for the Bucs (1-3), whose playoff hopes might also be in jeopardy because Green Bay and Minnesota, both 4-0, also are in the NFC Central.

Barry Sanders, with his second 100-yard game of the season, rushed for 131 yards on 27 carries and had 23 yards receiving.

Diller was 12-of-30 for 120 yards with one interception — his first of the season — for the Bucs.

The game was suspended for 10 minutes in the second quarter after rookie Tampa Bay receiver Brice Hunter was injured during a helmet-to-helmet collision with Detroit's Mark Carrier.

Hunter was carried from the field on a stretcher and taken to a hospital, where he underwent a CAT scan.

The injury turned out to be minor, and Hunter left the hospital with thumbs up less than three hours after the frightening collision, the aftermath of which silenced a sellout crowd of 74,724 at the Silverdome.

In addition to playing well, the Lions had luck on their side.

With 1:42 left in the third quarter, Diller hit Karl Williams in the end zone with a 24-yard touchdown pass that would have closed the gap to 20-10. But the play was waved off by a delay penalty.

Robert Porter broke in to sack Diller on the next play, and the Bucs punted.

With 10:44 left in the fourth quarter, Diller hit Dave Moore for

another apparent touchdown, but Diller was flagged for being beyond the line of scrimmage when he threw the ball. The Bucs settled for Husted's second field goal.

But Fair, whose muffed punt set up the Bucs' score, made up for it in a hurry by returning the ensuing kickoff for a 27-6 lead.

"That kickoff return was a nice one," Ross said. "It kind of put the game away for us."

Batch, as he did in his debut at Minnesota, moved the Lions fairly well in the first half, keeping the Bucs off balance with his scrambling.

"Sometimes he can make things happen on his own," Ross said. "He did that a time or two, and that is part of what we like about him."

Batch couldn't get Detroit into the end zone, so the Lions had to settle for a pair of field goals and a 6-3 halftime lead, largely because the slow-starting Bucs had only 85 yards at that point, compared with 170 for Detroit.

## SCOREBOARD

## BASEBALL

## MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE			
EAST DIVISION			
W	L	Pct.	GB
N.Y. Yankees	92	70	.568 22
Toronto	88	74	.543 26
Baltimore	79	83	.488 35
Tampa Bay	63	99	.389 51
CENTRAL DIVISION			
W	L	Pct.	GB
Cleveland	89	72	.549
Chicago	80	82	.494 9
Kansas City	72	90	.447 16
Minnesota	70	92	.432 19
Detroit	65	97	.401 24
WEST DIVISION			
W	L	Pct.	GB
N.Y. Yankees	88	74	.543
Anheim	85	77	.525 3
Seattle	76	85	.472 11
Oakland	74	88	.457 14
NATIONAL LEAGUE			
EAST DIVISION			
W	L	Pct.	GB
Atlanta	106	56	.654
N.Y. Yankees	88	74	.543 18
Philadelphia	75	87	.463 31
Montreal	65	97	.401 41
Florida	54	108	.333 52
CENTRAL DIVISION			
W	L	Pct.	GB
St. Louis	102	60	.628
Chicago	90	72	.556 12
St. Louis	83	79	.512 19
Cincinnati	77	85	.475 25
Milwaukee	74	88	.457 28
Pittsburgh	69	93	.426 33
WEST DIVISION			
W	L	Pct.	GB
San Diego	96	64	.600
San Francisco	89	71	.556 7
Los Angeles	83	79	.512 13
Colorado	77	85	.475 19
Arizona	65	97	.401 31
MONDAY UNFINISHED			
NATIONAL LEAGUE			
San Francisco	000	000	0-0
Chicago	000	000	0-0



The Bucs' Trent Diller grimacing after being sacked.

MAJOR LEAGUE STANDINGS			
EAST DIVISION			
W	L	Pct.	GB
N.Y. Yankees	92	70	.568 22
Toronto	88	74	.543 26
Baltimore	79	83	.488 35
Tampa Bay	63	99	.389 51
CENTRAL DIVISION			
W	L	Pct.	GB
Cleveland	89	72	.549
Chicago	80	82	.494 9
Kansas City	72	90	.447 16
Minnesota	70	92	.432 19
Detroit	65	97	.401 24
WEST DIVISION			
W	L	Pct.	GB
N.Y. Yankees	88	74	.543
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WEST DIVISION			
W	L	Pct.	GB
San Diego	96	64	.600
San Francisco	89	71	.556 7
Los Angeles	83	79	.512 13
Colorado	77	85	.475 19
Arizona	65	97	.401 31
MONDAY UNFINISHED			
NATIONAL LEAGUE			
San Francisco	000	000	0-0
Chicago	000	000	0-0

MAJOR LEAGUE STANDINGS			
EAST DIVISION			
W	L	Pct.	GB
N.Y. Yankees	92	70	.568 22
Toronto	88	74	.543 26
Baltimore	79	83	.488 35
Tampa Bay	63	99	.389 51
CENTRAL DIVISION			
W	L	Pct.	GB
Cleveland	89	72	.549
Chicago	80	82	.494 9
Kansas City	72	90	.447 16
Minnesota	70	92	.432 19
Detroit	65	97	.401 24
WEST DIVISION			
W	L	Pct.	GB
N.Y. Yankees	88	74	.543
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Seattle	76	85	.472 11
Oakland	74	88	.457 14
NATIONAL LEAGUE			
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CENTRAL DIVISION			
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WEST DIVISION			
W	L	Pct.	GB
San Diego	96	64	.600
San Francisco	89	71	.556 7
Los Angeles	83	79	.512 13
Colorado	77	85	.475 19
Arizona	65	97	.401 31
MONDAY UNFINISHED			
NATIONAL LEAGUE			
San Francisco	000	000	0-0
Chicago	000	000	0-0

96	70	Bologna won 1-0 at aggregate.
95	51	Stavia Prague, 1, Schiffrin 4d, Germany
94	50	Aggregate lost 2-1 on away basis
78	78	Quality 5-4 in penalties
78	95	CSCA 5-1, Servette FC Switzerland
81	81	Aggregate lost 2-1. CSCA won 2-0
77	77	Dynamo Tbilisi, Georgia, 1, Tilbury, 1
77	77	Aggregate lost 2-1 on aggregate
91	91	Slobozha Ruzh, Lviv, 2, Dynamo Moscow
91	91	Dynamo won 3-2 on aggregate
82	78	Holbæk Spil, Coudox & Florentine, 1
82	82	Aggregate lost 2-1 on aggregate
82	82	Stroganovskoy, Nor, O. Aston Villa, 1
82	82	Aston Villa won 3-2 on aggregate
PF	PA	Grac, Austria, 2, Lincoln Red Imps
89	89	Grac AZ won 6-1 on aggregate
89	91	Manville, Florida 4, Omonia, Czech
86	96	Manville won 2-1 on aggregate
84	138	Anorthosis Fam, Cyprus, 2, Zurich, 5
		FC Zurich won 3-2 on aggregate
71	70	Brera, Gm, a Bremen Bergerer, Nor
72	72	Bremen won 2-0 on aggregate
80	107	<b>WORLDWIDE PREMIER LEAGUE</b>
80	80	West Ham 1, Southampton 0
78	79	<b>STANDINGS: Aston Villa 1, Preston</b>
78	78	<b>2, West Ham 3, Tottenham 4, 2-0</b>
112	60	<b>3, Man United 11, Leeds 11, 1 points</b>
112	60	<b>4, Chelsea 11, Arsenal 10, Sheffield Wed</b>
112	60	<b>5, Tottenham 10, Manchester 10, 1-0</b>
99	115	<b>6, Everton 7, Nottingham 7, 1-0</b>
58	75	<b>Blackburn 5, Coventry 5, Southampton</b>
		<b>6-0</b>
		<b>ALBERT MILES CUP</b>
		<b>TUESDAY IN DUBLIN, SEMIFINAL</b>
		<b>TENNIS</b>
		<b>DAVIS CUP</b>
		<b>WORLD GROUP</b>
		<b>QUALIFYING ROUND</b>
		<b>ARGENTINA 2, ROMANIA 3</b>
		<b>Dominik Hrbaty, Stanislav, del. K</b>
		<b>Gemy, Argentina, 6-2, 3-6, 6-2, 6-2</b>
		<b>6-2, 6-2, 6-2, 6-2, 6-2, 6-2</b>
		<b>GROUP 2, FINAL</b>
		<b>1, Poland 2, Thailand 2</b>
		<b>WTA RANKINGS</b>
		<b>1, Martina Hingis, Switzerland, 5,994</b>
		<b>2, Lindsay Davenport, 5,424</b>
		<b>3, Jana Novotna, Czech Republic, 4,944</b>



## SPORTS

Cubs Reach Playoffs  
For First Time in '90s

5-3 Victory Over Giants Earns Wild-Card

By Murray Chass  
New York Times Service

CHICAGO — Sammy Sosa did not hit four home runs to share the record with Mark McGwire. Steve Trachsel did not pitch a no-hitter. But the Chicago Cubs did gain a chance to win their first postseason series since 1908.

The Cubs, who last won the World Series in that postseason 90 years ago, advanced to the first round of this year's playoffs by defeating the San Francisco Giants, 5-3, on Monday night and winning the first playoff for the National League wild-card spot in the four-year history of the wild-card format.

The Cubs, who last played post-season games in 1989, will face the Braves in Atlanta on Wednesday afternoon.

They were put on the plane to Atlanta chiefly by Trachsel, who did not allow a hit until he had one out in the seventh inning; by the reliever Felix Heredia, who retired Barry Bonds on an inning-ending groundout with the bases loaded in the seventh; by another reliever, Terry Mulholland, who held Bonds to a sacrifice fly with the bases loaded and none out in the ninth; and by Gary Gaetti and Matt Mieske, 1998 newcomers to the Cubs, who each drove in two runs.

Sosa did not hit a home run, leaving him with 66 and officially putting McGwire into the record book as the single-season record-holder with 70.

Sosa batted 15 times without hitting a home run since he hit No. 66 last Friday night and slipped ahead of McGwire for all of 45 minutes.

Sosa, however, continued his most-valuable-player contribution to the Cubs, stroking a pair of singles and scoring the final two runs, which became critical when the dormant Giants rallied for three runs in the ninth inning.

"We've been working hard all year," said Sosa, who had said all along that his No. 1 priority was not home runs but the playoffs. "It's been an unbelievable 1998. I'll never forget it."

Trachsel's was perhaps the most important contribution to keeping failure away. The 27-year-old right-hander had labored recently — in fact, since he threw the pitch that became the McGwire home run that broke Roger Maris's record of 61. In four starts beginning with that game on Sept. 8, Trachsel had been battered for 19 earned runs in 21 2/3 innings.

But the Giants did not hit him. Instead Trachsel walked them, six in all, but he permitted none of them to score.

He walked two batters and hit another batter in the fourth, loading the bases with two out, then threw a third strike past Brian Johnson.

He held the Giants hitless until Brent Mayne lined a one-out, pinch-hit single to right field in the seventh. After Trachsel followed the hit by walking Armando Rios, another pinch-hitter, the Cubs' manager, Jim Riggleman, changed pitchers.

Trachsel, Bonds said, was the best he had ever seen him. "Trachsel pitched great," Bonds said. "We never got any momentum going with less than two outs. You put your hat when a guy can pitch like that."

Riggleman used six pitchers, including two starters as relievers:



Sammy Sosa spraying Cubs fans with Champagne after the playoff victory over the Giants.

Kevin Tapani in the eighth inning plus two batters in the ninth, and Mulholland, who as the starter Sunday pitched eight innings, for three batters in the ninth.

The Cubs' star closer, Rod Beck, had pitched the previous two games, going two and two-thirds innings on Sunday in a vain effort to put the Cubs in the playoffs without the extra game. He entered on Monday night with two runs in, one out and runners at first and third.

First, he induced Jeff Kent, who led the Giants with 127 runs batted in, to ground into a force play at second on which the third run scored, then retired Joe Carter, bating most likely for the last time in his 16-year career, on a foul pop to first.

The final out sent the Cubs and their fans inside Wrigley Field and out on the streets, into a frenzy.

"It's a lot of fun playing in Chicago for the Cubs, but it's a lot more fun winning for the Cubs," said Mark Grace, their 11th-year first baseman.

Gaetti has been playing for the Cubs only since they signed him on his 40th birthday, Aug. 19, after St. Louis released him. After Henry Rodriguez led off the fifth inning with a single, Gaetti drove a Mark Gardner pitch into the left-field bleachers.

Gardner, who had not lost any of his 10 starts since July 30, retired the next three batters, but Lance Johnson and Sosa singled one out apart in the sixth. The Giants' manager, Dusty Baker, replaced Gardner with Rich Rodriguez, who walked Grace.

Riggleman then pulled Rodriguez, a left-handed hitter, and used a right-hander, Mieske, who had batted only 110 times this season. But he lined a single to right and Johnson

and Sosa raced home. In the eighth, Sosa singled with one out, went to third as Grace lined a double to right and scored on Jose Mesa's wild pitch.

The Giants finally scored in the ninth and even threatened to catch the Cubs. Singles by Mayne and Bill Mueller brought Mulholland in for Tapani and Stan Javier singled Mayne home. Ellis Burks drew a walk as a pinch-hitter, loading the bases again for Bonds. This time he hit a sacrifice fly to right field for the second run and the first out.

Beck relieved Mulholland and Carter. After the force play, was unable to duplicate the home run he hit to win the 1993 World Series for Toronto over Philadelphia.

Did someone say World Series? The Cubs are one of only eight teams that have a chance to win this year's World Series.

But the Cubs' problem wasn't Sosa, who provided a quarter of the team's runs last year. Tired of a century of failure, the Cubs raised their payroll by 15 percent this season, hiring five former All-Stars.

"I thought from day one we were a division-championship-caliber team," said Ed Lynch, general manager of the Cubs.

With the 10th-highest payroll in baseball at the start of the season, the Cubs have managed the sixth-best record.

And they had their best season in a decade, doing far better than anyone imagined.

"If you look back at the season, we've beaten probably every No. 1 pitcher in the league," the Cubs' hitting coach, Jeff Pentland, said.

"And there are times when we've kind of looked like we're a last-place team."

Overachievers All:  
'Holy Cow' CubsBy Bill Dedman  
New York Times Service

CHICAGO — Harry Caray, the longtime Cubs broadcaster who had a bit of a problem with names, liked to call Sammy Sosa "Sajsa."

Sosa didn't mind. Since Caray died at the start of spring training, Sosa has honored him with a "V" sign after every home run this season, along with his heart thumps and kisses for the Sosa family.

That's 66 "V" signs, more than Winston Churchill and Richard Nixon had in their best years combined.

If Harry Caray were alive today, I would be so happy," Sosa said last week. "The way he was every day, pulling for the Chicago Cubs, this would have been the season he probably would have died again."

Hook a heart monitor up to any Cubs fan and you will see the effects of Sammy and the Overachievers, a group of oddballs and castoffs. They provided "Holy cow!" moments until the last day of the regular season, and even the day after that, when the Cubs beat the San Francisco Giants, 5-3, to earn the National League wild-card spot.

These Cubs were no thoroughbreds. The defense was shaky, the bullpen untrustworthy. No lead was too large for them to lose, no deficit too large to overcome.

This is the most exciting year I've seen in baseball," said Mr. Cub, Ernie Banks.

Last year's Cubs were the dullest team in memory: few home runs, few stolen bases and few victories.

Worse, they didn't get along. The tension started with an 0-for-14 losing streak, and boiled over on the last weekend, when Sosa ignored a hold sign and tried to steal second. He was thrown out, then was chewed out by the Cubs' manager, Jim Riggleman, in front of the team. After the last game, Riggleman gave a "me, me, me" speech against self-indulgence.

Perhaps that speech should be in the Hall of Fame at Cooperstown, New York. Sosa said it did the team good.

But the Cubs' problem wasn't Sosa, who provided a quarter of the team's runs last year. Tired of a century of failure, the Cubs raised their payroll by 15 percent this season, hiring five former All-Stars.

"I thought from day one we were a division-championship-caliber team," said Ed Lynch, general manager of the Cubs.

With the 10th-highest payroll in baseball at the start of the season, the Cubs have managed the sixth-best record.

And they had their best season in a decade, doing far better than anyone imagined.

"If you look back at the season, we've beaten probably every No. 1 pitcher in the league," the Cubs' hitting coach, Jeff Pentland, said.

"And there are times when we've kind of looked like we're a last-place team."

THE Cubs were streaky. The season has really been 12 seasons, with six successful periods followed by six downers, including losses in six of their last eight games as they staggered into Monday night's showdown.

The Cubs were homer-debendent. This team set a club record for home runs, with 211 providing four out of every 10 scores.

These were among the 1998 Cubs highlights in various categories of overachievement:

The starters: Kerry Wood was called up from the minors to pitch for the minimum salary, struck out a record 20 batters in a single game before his 20th birthday and then missed the last month because of a sore elbow. Kevin Tapani had a better record than Greg Maddux's.

The closer: Rod Beck came from the Giants, a \$3.5 million All-Star gunslinger known as Shooter. He hit a career high with 50 saves.

The newcomers: All-Star Mickey Morandini came from the Phillies, adding an on-base percentage just short of .400 and a nearly errorless glove at second. Henry Rodriguez, from Montreal, added left-handed power, with 31 home runs.

## Division Winners Square Off for Baseball Playoff Series

Here are the matchups for the major-league baseball playoffs, starting Tuesday:

**Rangers at Yankees** (Starting pitchers: Stottmyre/Wells) New York beat Texas in the first round of 1996 playoffs on the way to the World Series championship. The Yankees won 19 of 24 regular-season meetings at Yankee Stadium. Derek Jeter went wild, hitting .510 (26-for-51) with four home runs and 19 RBIs. David Wells pitched a shutout and David Cone was 2-0 against Texas.

At home in Arlington, the Rangers went 1-4 against Yankees, but it was the first year

Texas lost the season series at home to New York since 1983. Juan Gonzalez pulverized the Yankees in '96 playoffs, hitting five home runs in 16 at-bats. Terry Clark's 2-for-16 slump hurt, however.

**Red Sox at Indians** (Martinez/Wright) Other than the Yankees, Boston is probably the most balanced team in the league. John Valentin and Mo Vaughn — who lost the batting title to Bernie Williams by only two points — and Nomar Garciaparra make this offense go. Meanwhile, the Red Sox pitching staff has held up across the board.

The Indians' powerful lineup has been bruised this season, but it never really mattered because Cleveland, once again,

had no competition in the Central Division. Jim Thome was an MVP candidate before missing much of summer because of a broken hand and hasn't gotten back into the groove. Kenny Lofton never seemed to really get going. Manny Ramirez was the team's real sparkplug.

**Padres at Houston** (Brown/Johnson) This year's Padres team was shaped by the acquisition of Ken Caminiti and Steve Finley from a blockbuster trade with Houston in 1994. The Astros still have Derek Bell and Ricky Gutierrez, and Vaughn hit six home runs against the Astros this season.

The Astros have not lost a season series to the Padres since 1992. Houston ended Tre-

vor Hoffman's streak of 41 straight saves. Billy Wagner had three saves with 0.00 ERA against San Diego.

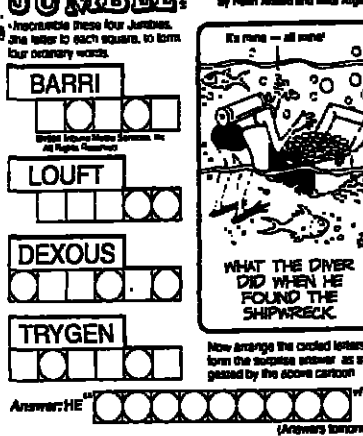
**On Wednesday:** **Cubs at Braves** (pitchers undecided) At 6-3, Chicago did better against Atlanta than any team in the league. Sammy Sosa bit three homers and batted .308 with five RBIs. Mickey Morandini batted .469.

The Braves have won seven straight division titles. They have been to playoffs every season since 1991, but have won just one World Series championship. Tom Glavine won 20 games this season for the fourth time. But the teams have never before met in postseason play. (LAT AP)

## DENNIS THE MENACE



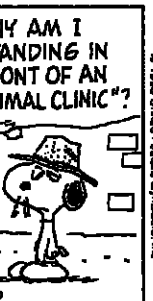
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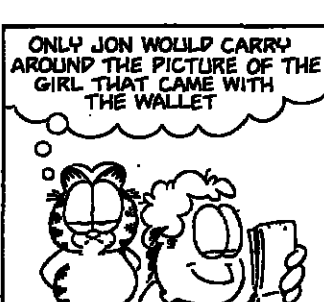
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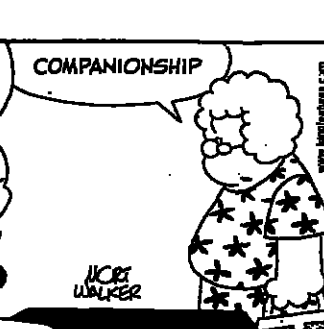
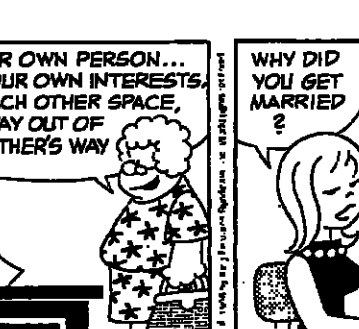
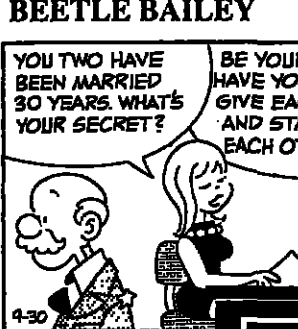
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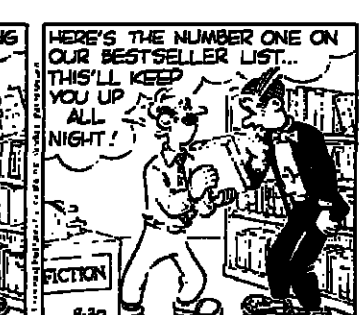
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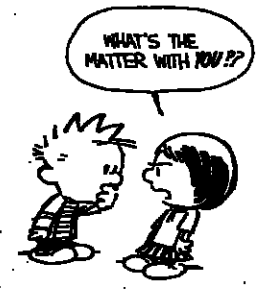
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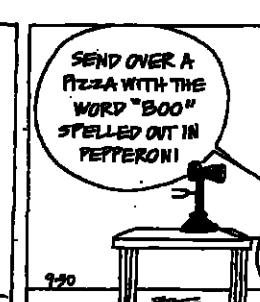
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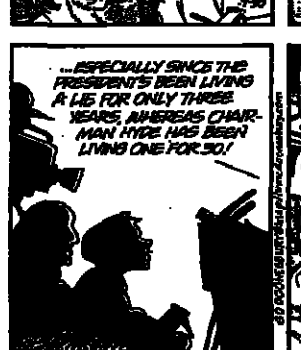
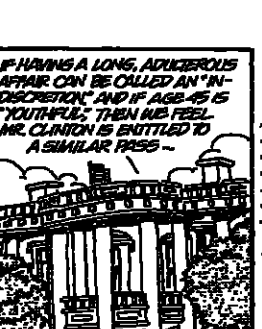
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## OBSERVER

## A Bite of the Big Apple

By Russell Baker

NEW YORK — I spent four days in New York City. It was swell.

Except for the restaurant prices. I'd planned to stay five days in New York, but after the fourth day, restaurant eating had already cost me \$3,792.87.

There was without wine. By leaving wine alone, you can save \$800 to \$900 per meal in New York.

Ask for water, but don't let them bring you that bottled imported water all the restaurants push.

That costs \$200 to \$300 per bottle, depending on where the water is imported from, whether it was bottled in a vintage year and whether the bottle has an advanced degree in hydrology.

Stay with tap water. Most restaurants charge only \$10 a glass with one free refill.

My first day in town the president showed up.

I once went to a college commencement where a U.S. president showed up. Cops everywhere, traffic detoured all the way out to Chaos Township. And that was a small New England town.

Imagine what a president can do to New York. With Clinton this week it was King Kong without Fay Wray, the San Francisco earthquake without Jeanette MacDonald, Iwo Jima without John Wayne.

All right, that's hyperbole, and I don't want to sound cross with the president. He's got enough people cross at him already.

Not many in New York, though. New Yorkers must have a deep working knowledge of sin, because those I

talked to spoke kindly of the president and agreed with the New Testament about the moral qualification required for throwers of the first stone.

This probably shows I was meeting only the most despicable class of New Yorkers; to wit, liberals. Worse, New York liberals.

Where was I ... ? The United Nations, that's where. Some big fuss was on over there, which brought several dozen alien statesmen to town, and they had to have VIP treatment, just like Clinton.

Gigantic cars, sirens, flashing lights, sinister-looking escorts. Streets that carry a million cars per hour were closed to traffic.

It was exhilarating to walk rapidly through midtown admiring the security. The reason I walked was able to move for days.

The reason I walked rapidly was that New Yorkers who don't walk rapidly can be run down and badly dented by other walkers, all of whom walk at a speed of 22 miles per hour.

Maybe they walk so fast because it makes them feel they're going to do something important, whereas slowing down might give them time to wonder about the pointlessness of things.

It's generally supposed that periods of intolerable commotion leave New Yorkers exhilarated.

I used to feel that way myself sometimes during my dozen years of residence. Then I found I could no longer walk faster than 21 miles an hour, and I couldn't cut the New York mustard anymore.

Still, give me four days now and then, and it's swell.

New York Times Service

## Aznavour at 74: Today, When He Is Young

By Mike Zwerin  
International Herald Tribune

PARIS — Charles Aznavour passed his medical checkup last week. Everything is better than O.K. — he's strong, confident, famous, rich and busy, and his voice, he says, is better than ever. Nothing really new about any of that, it wasn't really a surprise, he always feels good.

Still, adding it all up at the age of 74, it's nothing to take for granted. Even though he fully expects to live until the age of 120. Men from the Caucasus Mountains are known for living long lives. He's proud of his Armenian ancestry.

Most of all, he is happy to be able to continue to make music. He estimates that he has spent two thirds of his waking life thinking about, talking about, planning to make, making and/or listening to music. Quincy Jones once told him that he comes up with close to the same figure, the long stretches of time they both love to spend at the table eating and drinking well notwithstanding. Because music is prime table-talk, musicians their preferred company.

With his clean bill of health, Aznavour, who still sits down at his piano every day, can continue starting in three specials a year on French television. He will be able to continue working on his musical comedy based on the life of Toulouse-Lautrec. And in three weeks he will be opening on Broadway.

It will be his fourth Broadway run since 1963. "There's nothing like Broadway," he said. The alternative, a once-a-season one-nighter at Carnegie Hall, is not really all that disastrous, but there is nothing better for his chops and his soul (as well as his pocketbook) than Broadway. After 12 shows at the Marquis Theater starting Oct. 21, he moves on to limited engagements in Chicago and Los Angeles. Aznavour was named "entertainer of the century" (Elvis Presley came in second) in a recent Time magazine on-line poll.

Born in Paris of Armenian parents, Aznavour has begun to return to his homeland more and more often to lend his support since the collapse of the Soviet Union. The foundation Aznavour for Armenia was set up to help victims of the 1988 earthquake. Last September he was in the capital, Yerevan, to celebrate the fifth anniversary of Armenian autonomy.

With the foolhardy naïveté that superstardom allows, he calls out for the merger of the three Caucasus republics, Armenia, Azerbaijan and Georgia. "It is ridiculous for us to be enemies. That's ancient history. Any territorial problem can be solved. We are people who live in the same climate, the same mountains, we eat the same, drink the same; the only difference is religion." And religion is not important because, "we all come from the same book."

Aznavour for Armenia has raised money for hospitals, the handicapped and orphans. Now it is financing the writing and production of post-Soviet Armenian-language textbooks.

He is proud of his inheritance, and that his children are able to speak accent-free American English. He and his family have spent what he calls two seasons in the United States — one in Brentwood, California, the other in Green-



Aznavour was named "entertainer of the century."

wich, Connecticut. He loves being well known and feeling at home in America. He likes the openness of Americans, the "if you're hungry go look in my refrigerator and help yourself" attitude. America is like another home as far as he's concerned.

Over and above the attraction he feels for all three of his sides, he is mostly proud to be French — proud that the world knows him as French. He was friendly with both Marcel Cerdan, the boxing champion, and Django Rein-

hardt, the French Gypsy guitarist and songwriter. He worked with Edith Piaf (his first show in New York was with Piaf) and he wrote songs for Maurice Chevalier.

Among his 30 hit songs, "Je Hais les Dimanches" ("I Hate Sundays") was a hit for Juliette Gréco, who was hanging out with Jean-Paul Sartre and Boris Vian in the caves of Saint-Germain-des-Près. He headlined shows in the Moulin Rouge and the Olympia. A journalist once observed that "France has been Aznavourized."

Screen credits include Francois Truffaut's "Shoot the Piano Player" and Volker Schlöndorff's "The Tin Drum," which won an Oscar for best foreign film in 1979. He's now considering another major film role. Age has nothing to do with anything.

"Hier Encore," a song he wrote about aging, was translated as "Yesterday When I Was Young." He recalled that he wrote his first song about being old when he was 18. He talks about age with youthful vigor. He estimates that he remembers the melodies of about 2,000 songs, and the lyrics for maybe 600 of them.

Leaning back, he began to demonstrate, singing: "Embrace me ...". Once he starts a lyric he may not be totally sure of the rest will almost certainly come back to him: "My sweet embraceable you," he continued. Before you think of telling him that that one's a bit too easy, remember that in addition to all the American and French songs, he also performs Russian, Jewish ("My Yiddish Momme") and Gypsy ("Gitana Gitana") songs. Recently he was dining in a Hungarian restaurant and the band was "absolutely astonished that I knew absolutely every song they played." Then he added, with a sly smile: "Fortunately, I am not expected to learn the words for Hungarian songs."

Aznavour is absolutely certain that his vocal texture and phrasing have improved with age. "Of course it is evident that I am no longer 25 years old, but we do learn from experience. There are things we cannot do any more but we replace them with new things."

"I used to have a strained voice, I had trouble controlling it. Some people have made fun of my voice. I was considered an 'entertainer.' A man of the music hall, a variety singer. Today I can sing the classics. I sang an aria by Gounod with Pavarotti. I sang with Plácido Domingo. I sang one of my songs in duo with Rostropovich. You learn from experience. You learn to discipline your life. I don't waste time any more. Never ever."

In 1974, he published his memoirs. Although people have suggested it, there will be no volume two. What happens after a happy-ending does not interest him: "I am interested in the construction of a man and of his career. After success, what is there left to say? You can tell about all the famous people you meet and how much you love all of them and how much all of them love you. And there are so many anecdotes, you can tell about your 'triumph in Berlin.' But all of this is really not very interesting. After the fame and money arrive, there is no more drama."

With a meaningful grin, he pointed out that it is no coincidence that a stage act where singers sing their past hits night after night is called a "routine."

## PEOPLE

A SMALL oil painting by the abstract pioneer Piet Mondrian has been stolen from the Zeeuws Museum in Middelburg, Netherlands. The museum bought the painting, titled "The Tree," for \$130,000 in 1994, said Ineke Spaander, the museum's director. Created by Mondrian between 1908 and 1909, before his modern masterpieces, the painting shows a black apple tree against a dark blue background.

The estate and memorial fund for Diana, Princess of Wales, lost a bid to bar the Franklin Mint from advertising or selling dolls, jewelry and other unauthorized memorabilia bearing her name and likeness. But the U.S. District Court in Los Angeles also refused a request by Franklin Mint lawyers to dismiss the case. "The case now proceeds to trial," said Mark Lee, the attorney for the memorial fund.

Being personally denounced by President Bill Clinton may not be bad for

business. Michael Isikoff of Newsweek has signed a six-figure deal with Random House's Crown imprint for an account of his role in the White House sex scandal. Isikoff was on the verge of breaking the

Monica Lewinsky story when his magazine held the article. He says the book "will tell a lot of the war between Clinton and his political enemies, but even more about the way reporters

grapple with the difficult issues of public conduct and private character."

As bike paths go, this one promises to be above average thanks to the radio host Garrison Keillor. Keillor is allowing a new \$1.5 million bicycle trail to be dubbed the Lake Wobegon Trail, named after his mythical hometown of Lake Wobegon, where everything is above average. Keillor, host of Minnesota Public Radio's "A Prairie Home Companion," was planning to attend the trail's opening Wednesday in the central Minnesota town of Albany, population 1,548.

The singer Bobby Brown reported to the Broward County Jail in Florida to begin serving a five-day sentence for a drunken driving conviction. The police said Brown was speeding when he lost control of a black Porsche in the 1996 accident. The authorities said his blood-alcohol level was 0.22 percent, nearly three times the legal limit. He also tested positive for cocaine and marijuana.



PREMIERE — The actor Cuba Gooding Jr., right, arriving with his father, Cuba Gooding Sr., at the Beverly Hills opening of "What Dreams May Come," a film in which he co-stars with Robin Williams.



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